



AMERICAN PATRIOT OIL AND GAS LIMITED
ACN 154 049 144

Notice of Annual General Meeting

Explanatory Statement and Proxy Form

Date of Meeting:
Thursday, 29 November 2018

Time of Meeting:
2:00PM (AEDT)

Place of Meeting:
Level 1
23 Oxford Street
Oakleigh Victoria, 3166

This Notice of Annual General Meeting and Explanatory Statement should be read in its entirety. If shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional advisor without delay

AMERICAN PATRIOT OIL AND GAS LIMITED

ACN 154 049 144

Registered office: Level 1, 23 Oxford Street, Oakleigh, Victoria, 3166

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Members of American Patriot Oil and Gas Limited (the "Company") will be held at Level 1, 23 Oxford Street, Oakleigh, Victoria, 3166 at 2:00pm (AEDT) on Thursday, 29 November 2018.

AGENDA

The Explanatory Statement and proxy form which accompany and form part of this Notice, includes defined terms and describe in more detail the matters to be considered. Please consider this Notice, the Explanatory Statement and the proxy form in their entirety.

ORDINARY BUSINESS

Receipt and consideration of Accounts & Reports

To receive and consider the financial report of the Company and the related reports of the Directors (including the Remuneration Report) and auditors for the year ended 30 June 2018.

Note: Except for as set out in Resolution 1, there is no requirement for shareholders to approve these reports. Accordingly, no resolution will be put to shareholders on this item of business.

Resolution 1: Adoption of Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That for the purpose of section 250R(2) of the Corporations Act 2001 and for all other purposes, the Remuneration Report (included in the Directors' report) for the financial year ended 30 June 2018 be adopted."

Resolution 2: Re-election of Mr Frank Pirera as a Director of the Company

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That Mr Frank Pirera, who retires by rotation pursuant to the Constitution of the Company and, being eligible, offers himself for re-election, be re-elected as a Director of the Company."

Resolution 3(a): Approval to issue Options to Defender No. 2 Fund Pty Ltd

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 60,000,000 Options to Defender No. 2 Fund Pty Ltd as a trustee of the Defender No. 2 Fund, as described in the Explanatory Statement."

Resolution 3(b): Approval to issue Options to Holicarl Pty Ltd

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That for the purposes of Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 20,000,000 Options to Holicarl Pty Ltd as a trustee of the Hunter Grain Superannuation Fund, as described in the Explanatory Statement."

Resolution 4: Approval to Issue Shares to a Director of the Company – Mr Alexis Clark (or his nominee)

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of Listing Rule 10.11 and for all other purposes, Shareholders approve and authorise the Company to issue up to 12 million fully paid ordinary shares in the Company to Mr Alexis Clark (or his nominee) on the terms and conditions described in the Explanatory Statement.”

Resolution 5: Ratification of Prior Issue of Options

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

“That for the purpose of ASX Listing Rule 7.4 and for all other purposes, shareholders approve, ratify and confirm the issue on or about 19 October 2018 of 80,000,000 unlisted options exercisable at \$0.025 (2.5 cents) per option, exercisable 18 months after repayment of the loan or up to 30 April 2024 issued to Defender No. 2 Fund Pty Ltd (or their nominee(s)) on the terms and conditions described in the Explanatory Statement”.

SPECIAL BUSINESS

Resolution 6: Approval of 10% Placement Facility

To consider and, if thought fit, pass the following resolution as a special resolution:

“That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Statement”

By the order of the Board



Frank Pirera
Director and Company Secretary
25 October 2018

Notes

1. **Entire Notice:** The details of the resolutions contained in the Explanatory Notes accompanying this Notice of Meeting should be read together with, and form part of, this Notice of Meeting.
2. **Record Date:** The Company has determined that for the purposes of the Annual General Meeting, shares will be taken to be held by the persons who are registered as holding the shares at 7.00pm on the date 48 hours before the date of the Annual General Meeting. Only those persons will be entitled to vote at the Annual General Meeting and transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.
3. **Proxies**
 - a. Votes at the Annual General Meeting may be given personally or by proxy, attorney or representative.
 - b. Each shareholder has a right to appoint one or two proxies.
 - c. A proxy need not be a shareholder of the Company.
 - d. If a shareholder is a company it must execute under its common seal or otherwise in accordance with its constitution or the Corporations Act.
 - e. Where a shareholder is entitled to cast two or more votes, the shareholder may appoint two proxies and may specify the proportion of number of votes each proxy is appointed to exercise.
 - f. If a shareholder appoints two proxies, and the appointment does not specify the proportion or number of the shareholder's votes, each proxy may exercise half of the votes. If a shareholder appoints two proxies, neither proxy may vote on a show of hands.
 - g. A proxy must be signed by the shareholder or his or her attorney who has not received any notice of revocation of the authority. Proxies given by corporations must be signed in accordance with corporation's constitution and Corporations Act.
 - h. To be effective, proxy forms must be received by the Company's share registry (Link Market Services Limited) no later than 48 hours before the commencement of the Annual General Meeting, this is no later than 2:00pm (AEDT) Melbourne time on Tuesday, 27 November 2018. Any proxy received after that time will not be valid for the scheduled meeting.

4. Corporate Representative

Any corporate shareholder who has appointed a person to act as its corporate representative at the Meeting should provide that person with a certificate or letter executed in accordance with the Corporations Act authorising him or her to act as that company's representative. The authority may be sent to the Company and/or registry in advance of the Meeting or handed in at the Meeting when registering as a corporate representative.

5. Voting Exclusion Statement:

Resolution 1

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote:

- (a) in accordance with a direction on the proxy form; or
- (b) by the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2

There are no voting exclusions on this resolution.

Resolutions 3 (a) and (b)

The Company will disregard any votes cast in favour of these Resolutions by a person who is to receive the options and any associate of that person.

However the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and who does not specify the way the proxy is to vote.

Resolution 4

The Company will disregard any votes cast in favour of this resolution by Mr Clark and any associates of Mr Clark.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5

The Company will disregard any votes cast in favour on this Resolution by any person who participated in the issue of options and any associates of those persons.

However the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6

The Company will disregard any votes cast in favour of Resolution 6 by any person who is expected to participate in the proposed issue or any person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

6. Enquiries

Shareholders are invited to contact the Company Secretary, Frank Pirera on (03) 9945 8739 if they have any queries in respect of the matters set out in these documents.

EXPLANATORY STATEMENT

Receipt and consideration of Accounts & Reports

A copy of the Annual Report for the financial year ending 30 June 2018 which incorporates the Company's financial report, reports of the Directors (including the Remuneration Report and the Auditor's Report) is not enclosed as there is no longer a requirement for the Company to incur the printing and distribution cost associated with doing so for all shareholders. You may obtain a copy free of charge in hard copy form by contacting the Company by phone at (03) 9945 8739, and you may request that this occurs on a standing basis for future years. Alternatively, you may access the Annual Report at the Company's website www.ap-oil.com or via the Company's announcement platform on ASX. Except as set out in Resolution 1, no resolution is required on these reports.

Resolution 1: Adoption of Remuneration Report

Background

Section 250R(2) of the Corporations Act requires that a resolution to adopt the Remuneration Report must be put to the vote at the Annual General Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Remuneration Report is set out in the Directors' Report in the Company's 2018 Annual Report. The Remuneration Report sets out the Company's remuneration arrangements for the Directors and senior management of the Company.

In accordance with Section 250SA of the Corporations Act 2001, Shareholders will be provided with a reasonable opportunity to ask questions concerning, or make comments on, the Remuneration Report at the Annual General Meeting.

The Corporations Act requires the Company to put a resolution to Shareholders that in accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% per cent or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's Directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's last Annual General Meeting, the votes cast against the Remuneration Report represented less than 25% per cent of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

Board Recommendation

Noting that each Director has a personal interest in their own remuneration from the Company (as such interests are described in the Remuneration Report) and, as described in the voting exclusions on this resolution (set out in the Notice of AGM), that each Director (or any Closely Related Party of a Director) is excluded from voting their shares on this resolution, the Board unanimously recommend that shareholders vote in favour of Resolution 1 to adopt the Remuneration Report.

Voting Exclusions

The Company will disregard any votes cast on this resolution (in any capacity) by or on behalf of a member of the Key Management Personnel (being those persons described as such in the Remuneration Report) or a closely related party of such a member unless the vote cast as proxy for a person entitled to vote:

- (a) in accordance with a direction on the proxy form; or
- (b) by the Chairman of the meeting as proxy for a person entitled to vote and the Chairman has received express authority to vote undirected proxies as the Chairman sees fit.

Accordingly, if you intend to appoint a member of Key Management Personnel as your proxy, please ensure that you direct them how to vote. If you intend to appoint the Chairman of the meeting as your proxy, you can direct him to vote by marking the box for Resolution 1. By marking the Chairman's box on the proxy form you acknowledge that the Chairman of the meeting will vote in favour of this item of business as your proxy. The Chairman will vote undirected proxies in favour of Resolution 1.

Resolution 2: Re-election of Mr Frank Pirera as a Director of the Company

Background

The Constitution of the Company requires that at every annual general meeting, one-third or the next highest number nearest one-third of the Directors (excluding the Managing Director), shall retire from office and provides that such Directors are eligible for re-election at the meeting. Mr Frank Pirera retires by rotation and, being eligible, offers himself for re-election.

Mr Pirera is a graduate of Monash University where he obtained a Bachelor of Business (Accounting) and is a Fellow of the Certified Practising Accountants with more than 30 years of experience in public practice. Mr Pirera has a wealth of experience in financial control and management and strategic planning having advised numerous public and private companies throughout his career.

Board Recommendation

The Board (with Mr Pirera abstaining), recommends that shareholders vote in favour of the re-election of Mr Pirera. The Chairman of the meeting intends to vote undirected proxies in favour of Mr Pirera's re-election.

Voting Exclusions

There are no voting exclusions on this resolution.

Resolutions 3(a) and (b): Approval to issue Options – Defender No. 2 Fund Pty Ltd & Holicarl Pty Ltd

Background

On 15 October 2018 and 19 October 2018 the Company announced that it had entered into loan facilities of up to \$4million which were provided by Defender No.2 Pty Ltd as trustee of the Defender No. 2 Fund ("Defender"). Defender is a Special Purpose Vehicle established by Vertua Limited (NSX: VERA) Managing Director, James Manning. The loan facilities have been secured with a general security agreement given by AOW in favour of Defender.

In addition to fees and interest payable under the facilities, AOW granted 80,000,000 options to Defender (or its nominees) and has agreed to grant a further 80,000,000 options to Defender (or its nominees), the subject of this resolution.

The options will have an exercise price of \$0.025 (2.5 cents) per share and expire 18 months after the date of repayment of the loan facilities or up until 30 April 2024. The full terms of the Options are set out at Annexure B.

Resolutions 3(a) and (b) seek shareholder approval for the proposed grant of:

- (a) 60,000,000 unquoted Options to Defender No. 2 Fund Pty Ltd (ACN 628 877 985) as a trustee of the Defender No.2 Fund (ABN 53 683 912 029) (**Defender No. 2 Fund**); and,
- (b) 20,000,000 unquoted Options to Holicarl Pty Ltd (ACN 081 781 802) as a trustee for Hunter Grain Superannuation Fund (**Holicarl**).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue during any twelve month period any equity securities, or other securities with rights of conversion to equity (such as options), if the number of those securities exceeds 15% of the share capital of the Company on issue at the commencement of that 12 month period. One circumstance where an action or an issue is not taken into account in the calculation of this 15% threshold is where the issue has the prior approval of shareholders at a general meeting.

The effect of Shareholders passing Resolutions 3(a) and (b) will be to allow the Company to issue the Options detailed above during the period of three months after date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), without using the Company's 15% annual placement capacity.

ASX Listing Rule 7.3 requires that the meeting documents concerning a proposed resolution to approve an issue of securities in accordance with ASX Listing Rule 7.1 must include the following information:

- (a) the maximum number of Options to be issued under Resolutions 3(a) and (b) are as follows:

- (i) 60,000,000 Options to Defender No. 2 Pty Ltd; and
 - (ii) 20,000,000 Options to Holicarl Pty Ltd;
- (b) the Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules) and it is intended that all of the Options will be issued on the same date;
 - (c) the Options are each exercisable at \$0.025 (2.5 cents) per Option expiring 18 months after repayment of the loan or up until 30 April 2024 and otherwise have the terms and conditions as set out in Appendix B. Shares issued upon exercise of the Options will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue;
 - (d) the Options will be issued to Defender No. 2 Fund and Holicarl, as described in the Notice;
 - (e) the Options will be issued for nil cash consideration and, accordingly, there will be no funds raised from their issue. Any funds raised upon exercise of the Options will be applied to the working capital requirements of the Company at the time of exercise; and
 - (f) a voting exclusion statement is included in the Notice.

Board Recommendation

The Board recommends that shareholders vote in favour of Resolutions 3(a) and (b). The Chairman of the meeting intends to vote undirected proxies in favour of Resolutions 3(a) and (b).

Voting Exclusions

The Company will disregard any votes cast in favour of these Resolutions by a person who is to receive the options and any associate of that person.

However the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote and who does not specify the way the proxy is to vote.

Resolution 4: Approval to Issue Shares to a Director of the Company – Mr Alexis Clark (or his nominee)

Background

In accordance with Listing Rule 10.11, shareholder approval is required for the issue of Shares to a related party. Mr Clark, a Director of the Company, is a related party. Pursuant to Listing Rule 7.2, exception 14, the effect of passing Resolution 4 will be to allow the Company to issue the Shares to Mr Clark (or his nominee) without using the Company's 15% Placement Capacity under Listing Rule 7.1 or requiring approval under Listing Rule 7.1.

This resolution seeks shareholder approval to issue Mr Alexis Clark up to 12,000,000 fully paid ordinary shares in the Company in recognition of his performance in successfully closing certain transactions for the Company, subject to completion of the various transactions, details of which are provided in the table below:

Transaction	To be issued upon	Fully paid ordinary share
Peak Energy & Magnolia Burnett	Completion of acquisition	6,000,000
Foothills Mining	Completion of acquisition	6,000,000

The shares will also be subject to a 12-month voluntary escrow period from the date of issue.

Corporations Act

In accordance with Section 208 of the Corporations Act, to give a financial benefit to a related party, the Company must obtain shareholder approval unless the giving of the financial benefit falls within an exception in Section 210 to 216 of the Corporations Act.

The Board considers that shareholder approval under Section 208 of the Corporations Act is not required for the proposed issue of Shares under Resolution 4 as it considers the exception in Section 211 of the Corporations Act applies. That section provides that shareholder approval is not needed where the financial benefit proposed to be provided constitutes reasonable remuneration to the related party as an officer or employee of the company in light

of the circumstances of the company and the related party's circumstances (including the responsibilities involved in the office or employment).

In forming this view, the Directors (other than Mr Clark who excluded himself from the deliberations) carried out an assessment of the role Mr Clark performed in identifying and negotiating the terms of the transactions, as well as his role to be performed in completing the transactions and his existing remuneration package. These Directors also consider that the proposed issue aligns with the interests of Shareholders.

Specific Information Required by Listing Rule 10.13

Listing Rule 10.13 requires that information be provided to Shareholders for the purposes of obtaining Shareholder approval pursuant to Listing Rule 10.11 as follows:

- (a) the Shares will be issued to Mr Alexis Clark (or his nominee);
- (b) the maximum number of Shares that will be issued to Mr Alexis Clark (or his nominee) is 12,000,000, subject to a 12-month voluntary escrow period from the date of issue;
- (c) the Shares will be issued not later than one month after the date of the Annual General Meeting (or such later date as permitted by any ASX waiver or modification of the ASX Listing Rules);
- (d) the issue price of the Shares is Nil;
- (e) a voting exclusion statement is included in the Notice of Meeting;
- (f) the Shares will rank equally in all respects with the existing Shares on issue in the Company; and
- (g) no funds will be raised from the issue of the Shares as they are being issued for Nil cash consideration.

Board Recommendation

The Board (with Mr Clark abstaining), recommends that shareholders vote in favour of the issue of Shares to Mr Clark. The Chairman of the meeting intends to vote undirected proxies in favour of Resolution 4.

Voting Exclusions

The Company will disregard any votes cast in favour of this resolution by Mr Clark and any associates of Mr Clark.

However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 5: Ratification of Prior Issue of Options

Background

In accordance with the Appendix 3B released on 19 October 2018, the Company issued 80,000,000 Unlisted Options (**Options**) with each Option exercisable at \$0.025 and having an expiry date 18 months after repayment of the loan or up until 30 April 2024. The full terms of the Options are set out at Annexure B.

ASX Listing Rules

ASX Listing Rules 7.1 and 7.1A allow the Company to issue new securities up to 25% of the existing capital of the Company in any 12 month period without the prior approval of Shareholders, unless one of the exceptions in ASX Listing Rule 7.2 applies. The issue of the Placement Shares and Options under the Placement was within the Company's available placement capacity under ASX Listing Rules 7.1 and 7.1A.

Under ASX Listing Rule 7.4 an issue of securities will be treated as having been made with the approval of shareholders for the purposes of ASX Listing Rules 7.1 and 7.1A if the issue did not breach ASX Listing Rules 7.1 and 7.1A at the time and shareholders subsequently approve it. As the issue of the Placement Shares and Options was within the Company's ASX Listing Rule 7.1 and 7.1A placement capacity and was not previously approved by Shareholders, the Company now seeks Shareholder ratification of the issue pursuant to ASX Listing Rule 7.4.

If Resolution 5 is approved, the prior issue of the 80,000,000 Unlisted Options may be treated by the Company as having been made with Shareholder approval under ASX Listing Rules 7.1 and 7.1A. The Company will therefore be able to issue additional equity securities without the Options the subject of Resolution 5 counting towards the 15% threshold for the purposes of ASX Listing Rule 7.1 or the 10% facility limit for the purposes of ASX Listing Rule 7.1A.

ASX Listing Rule 7.5 requires that the following information be provided to Shareholders for the purpose of obtaining Shareholder approval pursuant to ASX Listing Rule 7.4:

- (a) the total numbers of Unlisted Options that were issued are 80,000,000 Options;
- (b) the Options were issued for Nil;
- (c) the Options the subject of this Resolution 5 are immediately exercisable, have an exercise price of \$0.025 per Option, entitle the holder to received one Share on exercise of a Option and expire 18 months after repayment of the loan;
- (d) the recipients of the Unlisted Options were as follows:
 - 60,000,000 Unlisted Options issued to Defender No.2 Pty Ltd ACN 628 877 985 as trustee of the Defender No. 2 Fund ABN 53 683 912 029
 - 20,000,000 Unlisted Options issued to Holicarl Pty Ltd ACN 081 781 802 as trustee for the Hunter Grain Superannuation Fund
- (e) the Options were issued for Nil cash consideration and, accordingly, there will be no funds raised from their issue. Any funds raised upon exercise of the Options will be applied to the working capital requirements of the Company at the time of exercise; and
- (f) A voting exclusions statement is included in the Notice.

Board Recommendation

The Board recommends that shareholders vote in favour of the ratification of the prior issue of 80,000,000 Unlisted Options as described above. The Chairman of the meeting intends to vote undirected proxies in favour of these resolutions.

Voting Exclusions

The Company will disregard any votes cast in favour on this Resolution by any person who participated in the issue of options the subject of Resolution 5 and any associates of those persons.

However the Company need not disregard a vote if:

- (a) it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Resolution 6: Approval of 10% Placement Facility

Background

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued share capital through placements over a 12-month period after the Annual General Meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

The Company is seeking shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility. The effect of Resolution 6 will be to allow the Directors to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

If Shareholders approve Resolution 6, the number of Equity Securities permitted to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (see below).

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote at this Meeting (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Description of Listing Rule 7.1A

- (a) *Shareholder approval*

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an Annual General Meeting. This means it requires approval of 75% of the votes cast by shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate shareholder, by a corporate representative).

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue two classes of quoted Equity Securities being Shares, and AOWOB Quoted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an Annual General Meeting may issue or agree to issue, during the 12 month period after the date of the Annual General Meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

- A** is the number of Shares on issue 12 months before the date of issue or agreement:
- (A) plus the number of Shares issued in the 12 months under an exception in Listing Rule 7.2;
 - (B) plus the number of partly paid Shares that became fully paid in the 12 months;
 - (C) plus the number of Shares issued in the 12 months with approval of holders of Shares under Listing Rules 7.1 and 7.4. This does not include an issue of Shares under the entity's 15% placement capacity without shareholder approval;
 - (D) less the number of Shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAP of Equity Securities in the same class calculated over the 15 trading days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the Annual General Meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the Annual General Meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(10% Placement Period).

Listing Rule 7.1A

The effect of Resolution 6 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 6 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAP for the Company's Equity Securities over the 15 trading days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 6 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. Shareholders may be exposed to economic risk and voting dilution, including the following:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Annual General Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the market price of Shares as at 24 October 2018 (**Current Share Price**) and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Issue Price		
		\$0.013 50% decrease in Current Share Price	\$0.026 Current Share Price	\$0.052 100% increase in Current Share Price
Current Variable A 564,557,563 Shares	10% Voting Dilution	56,455,756 Shares	56,455,756 Shares	56,455,756 Shares
	Funds raised	\$733,925	\$1,467,850	\$2,935,699

50% increase in current Variable A 846,836,345 Shares	10% Voting Dilution	84,683,634 Shares	84,683,634 Shares	84,683,634 Shares
	Funds raised	\$1,100,887	\$2,201,774	\$4,403,549
100% increase in current Variable A 1,129,115,126 Shares	10% Voting Dilution	112,911,513 Shares	112,911,513 Shares	112,911,513 Shares
	Funds raised	\$1,467,850	\$2,935,699	\$5,871,399

The table has been prepared on the following assumptions:

- The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
 - No Options (including any Options issued under the 10% Placement Facility) are exercised into Shares before the date of the issue of the Equity Securities;
 - The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
 - The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
 - The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
 - The issue of Equity Securities under the 10% Placement Facility consists only of Shares. If the issue of Equity Securities includes Options, it is assumed that those Options are exercised into Shares for the purpose of calculating the voting dilution effect on existing Shareholders.
 - The Current Share Price is **\$0.026** (2.6 cents), being the closing price of the Shares on ASX on **24 October 2018**.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 6 for the issue of the Equity Securities will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
- (i) non-cash consideration for the acquisition of the new assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards an acquisition of new assets or investments (including expense associated with such acquisition), continued expenditure on the Company's current business and/or general working capital.
- (e) The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issue or other issue in which existing security holders can participate;
- (ii) the effect of the issue of the Equity Securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new businesses, assets or investments, it is likely that the allottees under the 10% Placement Facility may include the vendors of the businesses, assets or investments.

- (f) A voting exclusion statement is included in the Notice. At the date of this Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

Board Recommendation

The Board believes that Resolution 6 is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

Voting Exclusions

The Company will disregard any votes cast in favour on Resolution 6 by any person who is expected to participate in the proposed issue or any person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary shares, and any associate of such person.

Information under Listing Rule 7.3A.6(a)

The table below shows the total number of Equity Securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of Equity Securities on issue at the commencement of the 12 month period.

Equity Securities on issue 12 months preceding the date of the meeting	262,196,340
Equity Securities issued in the prior 12 month period*	541,189,344
Percentage previous issues represent of total number of Equity Securities on issue at commencement of 12 month period	206.41%

* For full details of the issues of Equity Securities made by the Company since the date of the last Annual General Meeting, see Appendix A. Included in this Appendix is a summary of the amount of funds raised as a result of the capital raisings during the previous 12 month period.

GLOSSARY

The following terms have the following meanings in this Explanatory Statement:

\$ means Australian Dollars;

10% Placement Facility has the meaning as defined in the Explanatory Statement for Resolution 6;

10% Placement Period has the meaning as defined in the Explanatory Statement for Resolution 6;

Annual Report means the Directors' Report, the Financial Report, and Auditor's Report, in respect to the year ended 30 June 2018;

ASIC means Australian Securities and Investments Commission;

ASX means ASX Limited ABN 98 008 624 691 or the Australian Securities Exchange, as the context requires;

ASX Settlement Operating Rules means the rules of ASX Settlement Pty Ltd which apply while the Company is an issuer of CHES approved securities;

Auditor's Report means the auditor's report on the Financial Report;

AED means Australian Eastern Daylight Time.

Board means the Directors acting as the board of Directors of the Company or a committee appointed by such board of Directors;

Chairman means the person appointed to chair the Meeting of the Company convened by the Notice;

CHES has the meaning in Section 2 of the ASX Settlement Operating Rules;

Closely Related Party means:

- (a) a spouse or child of the member; or
- (b) has the meaning given in section 9 of the Corporations Act.

Company means American Patriot Oil & Gas Limited ACN 154 049 144;

Constitution means the constitution of the Company as at the date of the Meeting;

Convertible Security means a security of the Company which is convertible into shares;

Corporations Act means the Corporations Act 2001 (Cth);

Director means a Director of the Company;

Directors Report means the annual directors' report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Equity Security has the same meaning as in the Listing Rules;

Explanatory Memorandum means the explanatory memorandum which forms part of the Notice;

Financial Report means the annual financial report prepared under Chapter 2M of the Corporations Act for the Company and its controlled entities;

Key Management Personnel means persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company;

Listing Rules means the Listing Rules of the ASX;

Meeting has the meaning given in the introductory paragraph of the Notice;

Notice means the Notice of Meeting accompanying this Explanatory Statement;

Option means an option to subscribe for a Share;

Proxy Form means the proxy form attached to the Notice;

Remuneration Report means the remuneration report which forms part of the Directors' Report of American Patriot Oil and Gas Limited for the financial year ended 30 June 2018 and which is set out in the 2018 Annual Report.

Resolution means a resolution referred to in the Notice;

Schedule means schedule to the Notice;

Section means a section of the Explanatory Memorandum;

Share means a fully paid ordinary share in the capital of the Company;

Shareholder means shareholder of the Company;

Trading Day means a day determined by ASX to be a trading day in accordance with the Listing Rules; and

VWAP means volume weighted average price.

Appendix A
Resolution 5 - Approval of 10% Placement Facility

CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
7 Dec 2017	666,666	FPO	FPO	Participation by a Director in a placement in accordance with Resolution 4 of the Company's 2017 Annual General Meeting of shareholders, held on 30 November 2017	Director	\$0.03	N/A	\$20,000	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
31 Jan 2018	23,924,238	FPO	FPO	Placement	Investors	\$0.033	N/A	\$789,500	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
7 Mar 2018	2,181,817	FPO	FPO	Placement	Sophisticated and professional investors	\$0.033	N/A	\$72,000	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
30 Jul 2018	165,150,984	FPO	FPO	Placement	Institutional and sophisticated investors	\$0.025	N/A	\$4,128,775	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
31 Jul 2018	3,608,000	FPO	FPO	Placement	Institutional, professional and sophisticated investors	\$0.025	N/A	\$90,200	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and

									the intended use for the remaining amount (if any) is for the same purposes.
3 Sep 2018	21,309,060	FPO	FPO	Rights Issue	Eligible shareholders	\$0.025	N/A	\$532,726	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
12 Oct 2018	99,916,022	FPO	FPO	Rights Issue Shortfall	Shortfall shareholders	\$0.025	N/A	\$2,497,901	Fund further acquisitions of conventional oil and gas projects in Texas and general working capital. The exact amount spent cannot be determined and the intended use for the remaining amount (if any) is for the same purposes.
Total								\$8,131,102	

NON-CASH ISSUES

Date	Number of Securities	Security Type	Terms	Description	Party or Basis	Price	Discount	Total Consideration	Use of Consideration
7 Dec 2017	12,768	FPO	FPO	Issue of shares to consultant for service provided	Consultant	Deemed issue price \$0.03	N/A	\$383	N/A
7 Dec 2017	11,912	FPO	FPO	Issue of shares to consultant for service provided	Consultant	Deemed issue price \$0.033	N/A	\$393	N/A
7 Dec 2017	1,612,903	FPO	FPO	Issue of shares to consultant for service provided	Consultant	Deemed issue price \$0.031	N/A	\$50,000	N/A
7 Dec 2017	24,040,803	QO	Note 1	Issue of Quoted Options in accordance with Resolutions 5 and 6 approved at the Company's 2017 Annual General Meeting of shareholders, held on 30 November 2017. It also includes the issue of additional quoted options as a free attaching option pursuant to the terms of the November 2017 placement	Director and clients of Capital Investment Partners who participated in the Capital Raising in August 2017	Nil	N/A	N/A	N/A
31 Jan 2018	11,962,119	QO	Note 1	Issue of quoted options as a free attaching option pursuant to the terms of the placement.	Investors	Nil	N/A	N/A	N/A
7 Mar 2018	242,424	FPO	FPO	Issue of shares to consultant for service provided	Consultant	Deemed issue price \$0.033	N/A	\$8,000	N/A
7 Mar 2018	1,000,000	FPO	FPO	Issue of shares to consultant for service provided	Consultant	Nil	N/A	N/A	N/A
7 Mar 2018	7,090,909	QO	Note 1	Issue of quoted options as a free attaching option pursuant to the terms of the placement and to	Investors	Nil	N/A	N/A	N/A

				consultant for services provided					
25 May 2018	1,500,000	FPO	Note 2	Issue of shares to Employee on achievement of their agreed performance objective	Employee	Nil	N/A	N/A	N/A
3 Sep 2018	10,654,554	QO	Note 1	Issue of quoted options as a free attaching option pursuant to the terms of the rights issue.	Eligible shareholders	Nil	N/A	N/A	N/A
12 Oct 2018	49,958,011	QO	Note 1	Issue of quoted options as a free attaching option pursuant to the terms of the rights issue.shortfall	Shortfall shareholders	Nil	N/A	N/A	N/A
19 Oct 2018	80,000,000	UO	Note 3	Issue of unlisted options pursuant to the terms of the loan facilities	Loan provider	Nil	N/A	N/A	N/A
22 Oct 2018	30,000,000	UO	Note 4	Issue of unlisted options to various brokers of the July 2018 placement.	Various brokers of the July 2018 placement	Nil	N/A	N/A	N/A
24 Oct 2018	6,346,154	FPO	FPO	Issue of shares pursuant to the terms of the loan facilities announced to the ASX on 15 October 2018 and 19 October 2018	Loan provider	Deemed issue price of \$0.026	N/A	\$165,000	N/A

Glossary

FPO Fully Paid Ordinary Shares

QO Quoted AOWOB Options

Notes

Note 1 Exercisable at \$0.045 (4.5 cents), expiring 20 September 2019

Note 2 Subject to voluntary escrow until 30 September 2018

Note 3 Exercisable at \$0.025 (2.5 cents), expiring 18 months after repayment of the loan

Note 4 Exercisable at \$0.05 (5 cents), expiring 21 August 2021

APPENDIX B

RESOLUTIONS 3(a), (b) AND 5 – OPTIONS TERMS AND CONDITIONS

The terms and conditions of the options granted pursuant to Resolutions 3(a), (b) and 5 are as follows:

Terms of Options

(a) Entitlement

- (i) Each Option entitles the Option holder to subscribe for, and be allotted, one ordinary Share in the capital of the Company.
- (ii) Shares issued on the exercise of Options will rank equally with all existing Shares on issue, as at the exercise date, and will be subject to the provisions of the Constitution of the Company and any escrow restrictions imposed on them by the ASX.

(b) Exercise of Option

- (i) The Options are exercisable at any time from the issue date.
- (ii) The final date and time for exercise of the Options is 18 months after repayment of the loan or up until 30 April 2024.
- (iii) The exercise price per option is \$0.025 (2.5 cents).
- (iv) Each Option is exercisable by the Option holder signing and delivering a notice of exercise of Option together with the exercise price in full for each Share to be issued upon exercise of each Option to the Company's Share Registry. Unless a holder is exercising all of their Options, Options must be exercised in parcels of not less than 1,000.
- (v) The Options cannot be exercised if, as a result of the exercise, the Optionholder or any of its associates would breach the provisions of Chapter 6 (and specifically section 606) of the Corporations Act.
- (vi) Remittances must be made payable to 'American Patriot Oil and Gas Limited' and cheques should be crossed 'Not Negotiable'.
- (vii) All Options will lapse on the earlier of the
 - (A) receipt by the Company of notice from the Option holder that the Option holder has elected to surrender the Option; and
 - (B) expiry of the final date and time for exercise of the Option.
- (viii) In the event of liquidation of the Company, all unexercised Options will lapse.

(c) Quotation

- (i) Subject to meeting the requirements of ASX and the Corporations Act, the Company may apply to the ASX for Official Quotation of the Options but makes no guarantee that it will make any such application, or that if an application for Official Quotation is made that it will be successful.
- (ii) If the Shares of the Company are quoted on the ASX, the Company will apply to the ASX for, and will use its best endeavours to obtain, quotation of all Shares issued on the exercise of any Options within 10 Business Days (as defined in the Listing Rules) of issue. The Company gives no assurance that such quotation will be granted.

(d) Participation in Securities Issues

Subject to paragraph (e) below, the holder is not entitled to participate in new issues of securities without exercising the Options.

(e) Participation in a Reorganisation of Capital

- (i) In the event of any reconstruction or reorganisation (including consolidation, sub-division, reduction or return of the capital of the Company), the rights of an Option holder will be changed in accordance with the Listing Rules of the ASX applying to a restructure or reorganisation of the capital at the time of that restructure or reorganisation, provided always that the changes to the terms of the Options do not result in any benefit being conferred on the Option holder which is not conferred on Shareholders of the Company.
- (ii) In any reorganisation as referred to in paragraph (e)(i), Options will be treated in the following manner:
 - (A) in the event of a consolidation of the share capital of the Company, the number of Options will be consolidated in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (B) in the event of a subdivision of the share capital of the Company, the number of Options will be subdivided in the same ratio as the ordinary share capital of the Company and the exercise price will be amended in inverse proportion to that ratio;
 - (C) in the event of a return of the share capital of the Company, the number of Options will remain the same and the exercise price will be reduced by the same amount as the amount returned in relation to each ordinary share;
 - (D) in the event of a reduction of the share capital of the Company by a cancellation of paid up capital that is lost or not represented by available assets where no securities are cancelled the number of Options and the exercise price of each Option will remain unaltered;
 - (E) in the event of a pro-rata cancellation of shares in the Company, the number of Options will be reduced in the same ratio as the ordinary share capital of the Company and the exercise price of each Option will be amended in inverse proportion to that ratio; and
 - (F) in the event of any other reorganisation of the issued capital of the Company, the number of Options or the exercise price or both will be reorganised (as appropriate) in a manner which will not result in any benefits being conferred on the Option holder which are not conferred on shareholders.

(f) Adjustments to Options and Exercise Price

- (i) Adjustments to the number of Shares over which Options exist and/or the exercise price may be made as described in paragraph (f)(ii) to take account of changes to the capital structure of the Company by way of pro-rata bonus and cash issues.
- (ii) The method of adjustment for the purpose of paragraph (f)(i) shall be in accordance with the Listing Rules of the ASX from time to time, which, under Listing Rules 6.22.2 and 6.22.3, currently provide:

(A) Pro Rata Cash Issues

Where a pro-rata issue is made (except a bonus issue) to the holders of underlying securities, the exercise price of an Option may be reduced according to the following formula:

$$O' = O - \frac{E[P-(S+D)]}{N + 1}$$

where:

- O' = the new exercise price of the Option.
- O = the old exercise price of the Option.
- E = the number of underlying securities into which one Option is Exercisable.
- P = the average market price per security (weighted by reference to volume) of the underlying securities during the 5 trading days ending on the day before the ex-rights date or ex entitlements date.
- S = the subscription price for a security under the pro-rata issue.
- D = the dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro-rata issue).
- N = the number of securities with rights or entitlements that must be held to receive a right to one new security.

(B) Pro-Rata Bonus Issues

If there is a bonus issue to the holders of the underlying securities, on the exercise of any Options, the number of Shares received will include the number of bonus Shares that would have been issued if the Options had been exercised prior to the record date for bonus issues. The exercise price will not change.

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
American Patriot Oil & Gas Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

PROXY FORM

I/We being a member(s) of American Patriot Oil & Gas Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm (AEDT) on Thursday, 29 November 2018 at Level 1, 23 Oxford Street, Oakleigh Victoria, 3166** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 1 and 4: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 1 and 4, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	4 Approval to Issue Shares to a Director of the Company – Mr Alexis Clark (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Mr Frank Pirera as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	5 Ratification of Prior Issue of Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3a Approval to issue Options to Defender No. 2 Fund Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	6 Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3b Approval to issue Options to Holicarl Pty Ltd	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

 * If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the Corporations Act 2001 (Cth).



STEP 1

STEP 2

STEP 3

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **2:00pm (AEDT) on Tuesday, 27 November 2018**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).



BY MAIL

American Patriot Oil & Gas Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
1A Homebush Bay Drive
Rhodes NSW 2138
or
Level 12
680 George Street
Sydney NSW 2000

* During business hours (Monday to Friday, 9:00am–5:00pm)

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**