

**MARKET ANNOUNCEMENT**

Monthly Production Report

**NOVEMBER MONTHLY ACTIVITIES REPORT**

Melbourne, December 20, 2018, American Patriot Oil and Gas Ltd ("AOW") is pleased to present its monthly activities report for the period ending 30 November 2018.

Key highlights of these actions are:

**Record Monthly production of 300 boepd (net AOW) (66% Gas)**

**Monthly Revenue of \$270,000 AUD/\$194,098 USD**

**Operational Update**

**Foothills Transaction Update**

**Investor Site Visit**

We set out additional details below.

**Monthly Production**

The November monthly results have resulted in total production of 2,993 bbl oil and 35,819 mcf gas or 300 boepd. This production generated total revenue of USD\$194,098 (AUD\$270,000). This is a ten fold increase from the recent September quarterly results and represents the first results following the closing of the Peak Energy and Magnolia and Burnett acquisitions. Importantly this is 66% gas production and gas prices are currently averaging US\$3.80/mcf vs US\$2.90 where we modelled the assets. We have recently commenced a capex programme on the assets and expect the results to start coming in December. The results are detailed below:

Asset	Net Production (Month)		Revenue (USD) *
	Oil (bbl)	Gas (mcf)	
Anasazi	428	2,950	25,035
Goose Creek	209		23,395
CWS	257		11,474
Peak Energy**	802	7,459	
Magnolia	330	9,594	58,414
Burnett	967	15,816	75,781
<b>Total</b>	<b>2,993</b>	<b>35,819</b>	<b>194,098</b>

\*Revenue is cash receipts in November related to October production and settlement statement revenue from closing Magnolia/Burnett transaction

\*\*Peak Energy revenue will be received in December/January

**Operational Update**

The capex programme has commenced and is expected to add significantly to this production base over coming months and will be reflected in the December production numbers. The programme consists of a number of low capex workovers and equipment repair operations on the wells. Key work completed during the month was as follows:

We brought online three new wells for the Lost Lake/Goose Creek Asset, the Shelton A and Shelton B and the WL Jones SWD Well. These wells have added an additional 5-7 bopd to that field. Now that we have the infrastructure in place we have plans to work on two more wells and potentially add another 25-30 bopd in this field.

On the Peak energy asset, we have commenced work to restart the Henry foster well which was down due to a hole in tubing, we are currently finishing up replacing the tubing and expect to have that well online by the end of the week.

**Foothills Settlement**

AOW is working to finalise the settlement of the last remaining asset ("Foothills assets"). Due diligence has been completed and we have negotiated an extended settlement time frame until the end of January 2019 to complete the transaction. AOW is working with funding partners to ensure the optimal funding structure and that it is on track to close this transaction in early 2019. Given recent oil price movements it is more advantageous to delay this settlement until early next year.

**Investor Site Visit**

In early December we also completed an investor site visit of the recently acquired Peak Energy, Magnolia Burnett assets, aswell as the soon to be acquired Foothills assets.



Foothills well



Foothills well



Burnett Well



Peak Energy Olan Busby Well

-ENDS-

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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 Houston, Texas. 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.