



3 August 2018

Dear Shareholder

Notification of underwritten non-renounceable rights issue – ineligible to participate

On 3 August 2018, American Patriot Oil & Gas Limited (**Company**) announced a non-renounceable 1 for 3.57 rights issue of fully paid ordinary shares (**Rights Issue**) with 1 free attaching new option for every 2 new shares subscribed for and issued. A Prospectus setting out the terms and conditions of the Rights Issue was lodged with ASX Limited (**ASX**) on 3 August 2018 (**Prospectus**) and will be sent to all eligible shareholders together with a personalised Entitlement and Acceptance Form on 13 August 2018.

The Company has determined that it would be unreasonable to make offers under the Rights Issue to all shareholders with addresses outside of Australia or New Zealand (**Ineligible Shareholders**) having regard to the relatively small number of the Company's shareholders in those jurisdictions, the relatively low number and value of the shares that would be offered to those shareholders under the Rights Issue and the costs of complying with legal and regulatory requirements in those jurisdictions.

Accordingly, the Rights Issue is not being extended to Ineligible Shareholders. Any entitlements to such shares will lapse and the relevant shares will form part of the additional shares and shortfall under the Rights Issue.

The Company has determined that you are an Ineligible Shareholder given that you reside outside of Australia and New Zealand. This letter constitutes the notice that the Company is required to give each Ineligible Shareholder under ASX Listing Rule 7.7.1(b).

Full details of the terms and conditions of the Rights Issue are contained in the Prospectus which is available on the ASX website www.asx.com.au by searching under the ASX Code "AOW."

Yours faithfully

A handwritten signature in black ink, appearing to read "Alexis Clark", written over a light blue horizontal line.

Alexis Clark
Chief Executive Officer