



Successful IPO of American Patriot Oil and Gas

- **Strong support from investors**
- **Trading on the ASX to commence 9 July 2014**
- **Exposure to 56,000 acres portfolio in Montana, Colorado, Utah, Wyoming**
- **Free carried in Northern Star Project horizontal well due 4th quarter 2014**

9 July 2014, Melbourne, Australia: American Patriot Oil and Gas Limited (ASX: AOW) has closed its initial public offering (IPO) after successfully raising over \$8 million. The company will begin trading on the Australian Securities Exchange (ASX) today.

The IPO was backed by institutional and high net worth investors in Australia encouraged by the company's extensive portfolio of assets in the Rocky Mountain basins of the USA and also the business model which is focused on early entry into oil fields and establishing joint ventures to fund exploration across its portfolio.

American Patriot will list with 144.2 million shares on issue and a market capitalisation of \$28 million based on the offer price of 20 cents per share. American Patriot has a tight and committed register focussed on maximising shareholder value.

American Patriot's business model is to internally generate prospects using geological knowledge, capture significant land positions at a low cost, and then reduce or remove risk capital exposure through farm out of a majority interest to a US operator in a cash and carry deal. American Patriot is focused on efficient use of shareholder capital and will always look to partner with another operator and never use shareholder funds on exploration. This business model has proven to be successful with other ASX listed companies with assets in the US.

PORTFOLIO EXPOSURE TO US ONSHORE OIL AND GAS – DRILLING IN 2014

Funds from the IPO will be used to develop American Patriots portfolio of assets in the Rocky Mountain basins via an extensive program of lease acquisition. American Patriot has approximately **56,000 Gross Acres (25,210 net acres)** under lease across 5 key projects geographically focused on tight oil exploration and development opportunities in the Rocky Mountain Basins in or nearby old conventional oil fields with significant amounts of infrastructure.

American Patriot has already completed its first joint venture agreement on its key Northern Star asset in Montana for cash upfront on the land and 2 well horizontal well free carry deal with an option for 2 more wells - a spend of up to \$24m on the acreage with no cost caps. The JV partner is Treasure Exploration who is operator and part of a successful US based private Oil and Gas company. Management of Treasure have a successful track record of building and selling US oil and gas assets.

"The successful IPO has highlighted the degree of confidence in American Patriot's projects. With exploration costs for American Patriot covered by our partners under our JV business model, the funds raised in the IPO are targeted for additional acreage acquisitions" said CEO Alexis Clark.

"Drilling on our key Northern Star project commences in the next few months with American Patriot free carried on the horizontal well by Treasure Exploration with no cost cap. Success on this project should unlock a significant new tight oil resource project with significant upside to the acreage value from American Patriots low cost entry point"



Those participating in the IPO also receive one attaching loyalty option for every 2 shares subscribed. The option has a strike price of \$0.25 per share and a 24 month expiry and vests 90 days after IPO, provided that the subscriber is a shareholder on that day.

American Patriot is managed by a strong technical and commercial team with extensive experience with public companies, particularly in the oil and gas industry. The American Patriot IPO was managed by Peloton Capital.

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About American Patriot Oil and Gas

American Patriot is an oil and natural gas exploration and development (E&P) group headquartered in Melbourne, Australia with a U.S. office in Denver Colorado and have approximately 56,000 Gross Acres (25,210 net Acres) under lease across 5 key projects. The projects are geographically focused on tight oil exploration and development opportunities in the Rocky Mountain Basins. Since its establishment, American Patriot has assembled a portfolio of prospective oil and gas exploration assets in America and has already completed its first joint venture agreement on its key Northern Star asset in Montana with US based operator Treasure Exploration part of a large US based private Oil and Gas company.

American Patriot's business model is to internally generate prospects using geological knowledge, capture significant land positions at a low cost, and then reduce or remove risk capital exposure through a farm out of a majority interest to a qualified US operator in a cash and carry deal. The directors of American Patriot all have significant experience with public companies in the oil and gas industry and will use their experience and energy to build an outstanding oil and gas production and exploration company.