American Patriot Oil & Gas Limited

ABN 79 154 049 144

Annual Report - 30 June 2015

Contents

Directors	Mr David Shaw (Non-Executive Chairman) Mr Alexis Clark (Chief Executive Officer) Mr Jim Angelopoulos (Chief Operations Officer) Mr Frank Pirera (Director, Company Secretary, CFO)
Company secretary	Mr Frank Pirera
Registered office	Level 1, 141 Capel Street North Melbourne VIC 3051
Principal place of business	Level 1, 23 Oxford St Oakleigh VIC 3166
Share register	Link Market Services Level 1, 333 Collins Street Melbourne VIC 3000
Auditor	Mr George Georgiou Level 13, 636 St Kilda Road Melbourne VIC 3004
Stock exchange listing	American Patriot Oil & Gas Limited shares are listed on the Australian Securities Exchange (ASX code: AOW)
Website	http://ap-oil.com/

Review of Operations

It has been a successful twelve months for American Patriot Oil and Gas (AOW.ASX) since listing in July 2014. We have grown the business significantly increasing our key Northern Star project acreage position from 36,000 to over 61,000 gross acres adding a valuable asset to the business. Importantly there are no drilling commitments for AOW as the wells are paid for by our partners. We are in joint venture (JV) with a first-class, US-based, operator Treasure Exploration (TEC) based in Denver USA. The management team sold their previous company for over US$7bn and acquired an interest in our project due to its significant value potential.

We have already drilled a successful oil producing conventional well and have also drilled the first high impact horizontal well, commencing the process of unlocking the significant value at our key Northern Star project in Montana, USA. The horizontal well encountered good oil shows and the testing process has recently commenced with results expected in the third quarter of 2015.

This well is part of a four well program that has the potential of unlocking a significant new tight oil resource, adding significant acreage value for shareholders. AOW does not pay for its drilling and is carried by TEC on the first two horizontal wells. We are moving quickly and planning is underway for the second carried horizontal well with drilling and testing expected by Q4 2015. We structured the JV like this as in previous successful oil resource projects, companies have taken three to four wells to determine the optimal drilling completion techniques to prove the oil play. This is required in order to understand the geological properties of the rocks and to develop a successful drilling programme.

Other oil companies pay for their own drilling commitments which can put those companies under significant financial strain. This can also limit the company’s flexibility as to when and how they meet their drilling commitments, often forcing them to undertake financing transactions at a time of weakness in the company. AOW is not in that position.

Our business plan is straightforward: we lease acreage cheaply prove it as a resource project and then look to sell it for a multiple of that price. AOW is working to prove up our key Northern Star project in a focused drilling campaign and then sell that acreage at a multiple of the company’s current market value. We will then return the capital to shareholders as a special dividend and look to repeat the model with proven US operators as JV partners. This is a proven model used by other successful US oil and gas companies who have sold assets, paid a special distribution to shareholders and then repeated the process. Our JV partners are aligned with this strategy.

Across the rest of our portfolio in our Rough House project in Colorado and Panther project in Montana we have acquired over 21,000 gross acres since listing. This acreage is a significant asset for the company and comes with no drilling commitments. AOW is in the fortunate position in that it can always sell this asset or farm down to an industry partner to realise the value on this acreage. To that end, we are in advanced discussions with potential JV partners on both these projects and expect to close a JV transaction in late 2015.

AOW’s business model continues to be robust even during volatile oil markets. We will continue to focus on delivering on this model for our shareholders by looking for quality, low cost, early entry acreage plays and we will also look to maximise value and protect shareholder funds by entering into joint ventures with high quality US operators who pay for the drilling costs on our projects. The current market conditions represent one the best opportunities to acquire valuable acreage in the USA and a number of respected commentators in the market are suggesting oil prices could be recovering by the end of the year with production and drilling rig counts rapidly falling in the US.

We thank you for your ongoing support of American Patriot Oil and Gas

Successful completion of IPO and listing on ASX

In July 2014, American Patriot Oil and Gas Limited (ASX: AOW) closed its initial public offering (IPO) after successfully raising over $8 million and began trading on the Australian Securities Exchange (ASX) on 9th July 2014. 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 listed 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.

<u>Northern Star Project, -12,602 net acres (15.75%-21.5% WI) Valley County, Montana</u>

The Northern Star project is AOW's flagship project located in Montana, USA. During the year AOW has undertaken significant activity to expand this project and in February 2015 commenced the unconventional drilling programme to unlock the significant resource potential on this key asset.

The high impact unconventional drilling programme commenced in February 2015. The well has successfully reached target depth and was drilled faster than expected encountering good oil shows in the target zone.

Testing is expected to take several weeks in Q3 2015. The operator, Treasure Exploration Corporation (TEC) has determined the best zones to perforate and the best methods to enhance oil flows from the well including the use of acid to stimulate production. Petrophysical analysis indicates oil pay throughout the target zone. AOW has a 21.5% working interest in the well. This result demonstrates the importance of using a first-class US-based operator that has substantial experience drilling and completing horizontal wells in similar reservoirs in the Rocky Mountains. We expect that this experience will help reduce drilling and testing costs and greatly increase the profitability of the overall project. The speed and results from this well justify our confidence in the project operator.

AOW is free carried with no cost cap on the first two Ratcliffe horizontal wells with an additional 2 optional wells. AOW's JV partner is committed to drilling these wells in 2015. Success on these wells could unlock a significant, new, tight oil resource with the potential to create significant acreage value and upside for shareholders.

Planning is also underway for the selection of the site for the second horizontal well with drilling and testing expected by Q4 2015.

AOW's business model continues to be robust during volatile oil markets. The model protects shareholder funds by shifting the costs of seismic data acquisition and drilling on to our JV partners. In addition, AOW also has an extensive portfolio of low-cost, conventional drilling targets which are economic at very low oil prices. AOW will continue to focus on implementing and delivering on this business model.

On the 21st October AOW announced that it had become a commercial oil producer less than four months after listing on the ASX. The first conventional well, Fort Peck 6-32, was successfully completed in the Lustre Field at the Northern Star project, Montana. .

The successful Fort Peck 6-32 well is the first of a potential 17 conventional oil prospects generated from modern 3D seismic data, with multiple stacked reservoirs that are proven producers in the region with access to infrastructure and significant upside potential. Nearby producing wells have averaged almost 200,000bbls each. Success in all or some of these prospects opens up the possibility of extended in-fill drilling and additional field development representing a significant potential new conventional oil resource, worth hundreds of millions of dollars which could create significant shareholder wealth and cash flow to underpin the business. With the recent sharp fall in the oil price we are expecting a reduction in drilling costs with rig day rates dropping sharply which could reduce overall exploration costs. Vertical wells can be drilled cheaply and AOW will be looking to take advantage of these favourable new industry conditions.

Expanded Northern Star project JV to include Anadarko Minerals adding producing Lustre field

On the 9th September 2014, AOW announced that Anadarko Minerals has partnered with AOW and Treasure Exploration Company LLC ("Treasure')) on the Northern Star project in Valley County Montana. The new JV brings the producing Lustre and Midfork conventional oil fields into AOW's wider Northern Star JV project. Anadarko delivers 11,957 gross acres and with all partners pooling their acreage the Northern Star JV project now covers 61,489 gross acres. AOW's net acreage position is unchanged post the transaction at 12,602 net mineral acres and importantly AOW remains free carried for 2 horizontal Ratcliffe wells and 2 optional horizontal wells by Treasure.

This company making transaction fulfils the company's ambition at the outset of bringing the Lustre and Midfork oil fields into a single project. AOW is now in partnership with two experienced and proven US producing operators. The new JV delivers a portfolio of 17 new conventional oil prospects generated by 3D seismic data with multi staked targets and proven producers in the region. These prospects are in addition to AOW's existing Ratcliffe unconventional oil play. Significantly Anadarko provided the JV with access to a proprietary multimillion dollar 3D survey covering the entire Lustre and Midfork oil fields and access to its geophysical data base including well logs, cores and drill stem tests.

Prior to the completion of this transaction on the 21st August 2014 AOW announced that it had acquired an additional 12,638 gross acres (3,369 net acres to AOW) under the Area of Mutual interest (AMI) with Treasure. The lease terms are for 3 to 5 years and there are no seismic or drilling commitments on the acreage acquired.

Rough House Project, 11,291 net acres (80-100% WI) DJ Basin, Colorado

Post completion of the IPO the Rough House heads of agreement transaction was completed whereby AOW acquired a 90% interest in 6,633 Gross Acres (3,747 net acres)

On 17 July 2014 the Company announced that it had acquired a 100% working interest in 15,910 additional gross acres (2,678 net acres) in the DJ Basin, Washington County Colorado. This acreage has been acquired from a private company, on 16 July 2014. The purchase price is undisclosed, the lease terms are for 5 years with 4 years remaining and there are no seismic or drilling commitments on the acreage acquired. The transaction settled on 8th August 2014. AOW has an 82% net retained interest in the net mineral acres.

On the 31 July 2014 the Company announced that it had acquired a 100% working interest in 4,400 additional gross acres (2,200 net acres) in the DJ Basin, Elbert County, Colorado. This acreage has been acquired from a private company, on 31 July 2014. The lease terms are for 5 years with 4 years remaining and there are no seismic or drilling commitments on the acreage acquired. The transaction settled on 8th August 2014.

During the December quarter AOW acquired an additional 5,206 net acres in the DJ Basin, in Washington & Elbert Counties Colorado. This acreage has been acquired from different vendors during the quarter. The lease terms are for an average 5 years with and there are no seismic or drilling commitments on the acreage acquired. Importantly as part of this transaction AOW has acquired the remaining 10% interest held by Colorado Land Management and extinguished a commitment of $2.5m to undertake seismic and drill a well on this acreage by February 2015. These transactions lifted AOW’s holding to 30,706 gross acres (13,456 net acres), in the oil producing DJ Basin in Colorado (Rough House project).

During the June 2015 quarter AOW relinquished some leases which were considered of low potential. In total 2393 net acres were relinquished. AOW now holds 17,415 gross acres, 11,291 net acres in the project. The relinquished leases were considered to have low potential due to the poor net to gross ratio and low prospectivity of that particular acreage. AOW is in advanced discussions with potential JV partners on the (Rough House project) Colorado acreage and is looking to close a JV transaction in late 2015.

Panther Project, 10,293 net acres, (100% WI) Garfield County, Montana

AOW acquired an additional 3,360 gross acres (1,803 net acres to AOW) during the period on the Panther project, lifting its holding to 12,150 gross acres/10,293 net mineral acres to AOW, in Garfield County in Montana. This acreage was acquired from a private company, on 21 August 2014 and the lease terms are for 5 years with 4 years remaining and there are no seismic or drilling commitments on the acreage acquired. AOW is in the process of marketing this project to potential JV partners. Detailed analysis suggests the project has significant conventional oil resource potential with a number of identified high impact drillable targets at shallow depths. Vertical wells can be drilled cheaply and are economic at low oil prices.

American Patriot Oil & Gas Limited
Directors' report
30 June 2015

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of American Patriot Oil & Gas Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2015.

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of oil and gas exploration.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $3,721,267 (30 June 2014: $629,152).

Financial Position and Performance
The net assets increased by $5,438,010 to $7,588,077 at 30 June 2015 (30 June 2014: $2,150,067). The consolidated entity's working capital position at 30 June 2015, being current assets less current liabilities, was $1,608,862 an improvement of $2,036,771 since 30 June 2014, when there was a working capital deficit of $427,909.

During the year the consolidated entity has spent a net amount of $3,159,948, after reimbursements of $28,456, on its petroleum exploration assets. The consolidated entity also received $74,715 in production revenues from oil produced during its exploration operations. The amounts expended in US dollars during the year amounted to US$2,644,560, net of US$23,815 reimbursements, with revenue amounting to US$68,340.

Based on the above the Directors believe the Company is in a stable position to continue and pursue its current operations.

Operations Review

Refer to Operations Report preceding the Directors Report.

Significant changes in the state of affairs
On 9 July 2014 trading of the entity's securities commenced on the Australian Stock Exchange (ASX).

On 9 July 2014 the Company issued 40,905,000 ordinary shares at an issue price of $0.20 per share raising $8,181,000 (before costs).

On 15 September 2014 the Company announced a pro-rata renounceable entitlement issue of one option for every two shares held by Eligible Shareholders at an issue price of $0.003 (0.3 cents) per Option. The Options each have an exercise price of $0.25 and an expiry date 24 months after the date of issue. The maximum number of Options which may be issued is approximately 72,108,145.

On 24 October 2014 the Company announced that it had received entitlement acceptances in respect to 64,401,284 options, representing 89.31% of entitlements, with the total funds received from the entitlement acceptances being $193,204. The shortfall of 7,706,861 options will be placed at Directors discretion over the next three months.

On 25 November, 2014 the Company granted 5,250,000 performance options to Directors subject to satisfaction of relevant performance conditions.

On 31 December 2014 the Company announced the placement of 7,706,861 options being the shortfall options from the Company's renounceable entitlement issue document dated 15 November 2014.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

On 29 September 2015 the consolidated entity announced that it had received a letter of Intent for the sale of the entire oil and gas asset portfolio of AOW for US$20m cash (AUD$28m) to a private US oil company, Edward Mike Davis, LLC. The Letter of Intent was received from the legal advisors of Edward Mike Davis, LLC and is subject to a number of terms and conditions.

The board have considered the offer and believe that the offer is opportunistic in the current oil price environment and substantially undervalues the potential value of AOW assets. The board noted that they believed it was in the best interests of shareholders of AOW to focus on the performance of the assets to realise the significant value and to continue discussions with potential bidders to extract a higher offer price for the Companies assets.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

The company has holdings of leases in the United States of America with the objective of farming out drilling activity or on selling the leases.

Environmental regulation

The consolidated entity holds participating interests in petroleum exploration interest. The various authorities granting such interests require the permit holder to comply with the terms of the grant of the permit and all directions given to it under those terms of the permit. There have been no known breaches of the tenement conditions, and no such breaches have been notified by any government agencies during the year ended 30 June 2015.

Information on directors

Name:	Mr David Shaw
Title:	Director & Non-Executive Chairman
Qualifications:	LLB
Experience and expertise:	Mr Shaw is a Melbourne University law graduate and is currently a practising solicitor with his own firm Campbell & Shaw Lawyers. Mr Shaw is a director on a number of private company boards and advisory boards. Mr Shaw has a long history with the Australian Football League (AFL). Mr Shaw was the Essendon club President from 1992 to 2002. In addition, Mr Shaw was the former Commissioner of the AFL.
Other current directorships:	None
Former directorships (last 3 years):	Ambassador Oil & Gas Ltd (ASX: AQO) (resigned 28 August 2014)
Special responsibilities:	None
Interests in shares:	1,150,000 fully paid ordinary shares.
Interests in rights:	875,000 performance rights

Name:	Mr Alexis Clark
Title:	Director & Chief Executive Officer
Qualifications:	CFA, ACA
Experience and expertise:	Mr Clark was a Consultant to the Oil & Gas Industry. Mr Clark was employed as an Oil & Gas Analyst at Patersons Securities responsible for coverage of small-mid capitalisation Oil & Gas companies and has previously worked as an Energy Analyst at Merrill Lynch covering Large and Medium Capital Energy companies and more recently Shaw Stockbroking where he covered a group of mid-capitalisation oil and gas companies. In addition to this Mr Clark has over 10 years of experience in the Institutional banking and finance sector where he has held positions at Westpac Institutional Bank, GE Capital and ANZ Banking Group responsible for the origination and execution of transactions across the Energy & Resources and Infrastructure client base.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	3,630,000 fully paid ordinary shares.
Interests in rights:	1,750,000 performance rights

Name:	Mr Jim Angelopoulos
Title:	Director & Chief Operations Officer
Qualifications:	B. Eng
Experience and expertise:	Mr Angelopoulos is a Monash University Engineering Graduate who has had an extensive career as a director of successful businesses. Mr Angelopoulos is the founding director of American Patriot Oil & Gas Pty Ltd. He has overseen its acquisition of substantial acreage position across three states in the USA and the execution of two joint ventures agreements. Mr Angelopoulos is also an experienced Energy Company Investor and a Director of a Joint Venture gas & oil enterprise in Kentucky USA. He is also currently the Managing Director of one of the most successful distribution companies within its industry in Australia and continues to oversee a successful property development business.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	3,680,120 fully paid up ordinary shares.
Interests in rights:	1,750,000 performance rights

Name:	Mr Frank Pirera
Title:	Director, Company Secretary & Chief Financial Officer
Qualifications:	BBus (Acc), FCPA
Experience and expertise:	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.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	1,160,000 fully paid ordinary shares.
Interests in rights:	875,000 performance rights

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Frank Pirera was appointed Company Secretary on 17 February 2014.

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.

Meetings of directors
The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2015, and the number of meetings attended by each director were:

	Full Board Attended	Full Board Held
Mr David Shaw	10	12
Mr Alexis Clark	12	12
Mr Jim Angelopoulos	12	12
Mr Frank Pirera	11	12

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The performance of the Group depends on the quality of its Directors and Other Key Management Personnel and therefore the Group must attract, motivate and retain appropriately qualified industry personnel. The Group embodies the following principles in its remuneration framework:
- provide competitive rewards to attract and retain high calibre directors and other key management personnel;
- link executive rewards to shareholder value (by both long and short term incentives);
- link reward with strategic goals and performance of the company; and
- ensure total remuneration is competitive by market standards.

The Board is responsible for determining and reviewing remuneration arrangements for its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity and company.

Alignment to shareholders' interests:
- focuses on sustained growth in shareholder wealth, consisting of growth in share price and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers value;
- attracts and retains high calibre executives.

In accordance with best practice corporate governance, the structure of non-executive directors and executive remunerations are separate.

Non-executive directors remuneration
Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Board. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to determination of his own remuneration.

For additional duties in assisting management beyond the normal time commitments of non-executive directors, non-executive directors are paid a per diem rate, with the amounts approved by other directors.

ASX Listing rules requires that the aggregate non-executive directors remuneration shall be determining periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 25 November 2014, where the shareholders approved a maximum aggregate remuneration of $300,000. No amendments have been made to the available non-executive director remuneration pool since that date.

Executive remuneration
The consolidated entity and company aims to reward executives with a level and mix of remuneration based on their position and responsibility, which is both fixed and variable.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- superannuation
- share-based payments; and
- other remuneration such as long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Board, based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The long-term incentives ('LTI') include share-based payments.

Consolidated entity performance and link to remuneration
The Directors have been granted performance rights in the current period as detailed in the remuneration report. The Directors are responsible for growing the entity and increasing shareholder value. The performance rights provide an incentive to the recipients to remain with the entity and to continue to enhance the group's value.

Use of remuneration consultants
During the year ended 30 June 2015 the consolidated entity did not engage any remuneration consultants.

Voting and comments made at the company's 2014 Annual General Meeting ('AGM')
At the 2014 AGM, 97% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2014. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the directors of American Patriot Oil & Gas Limited and the following persons:
- Mr David Shaw (Non-Executive Chairman)
- Mr Alexis Clark (Chief Executive Officer)
- Mr Jim Angelopoulos (Chief Operating Officer)
- Mr Frank Pirera (Director, Company Secretary, CFO)
- Mr Kleanthe Hatziladas (Consultant)

	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments	
2015	Cash salary and fees $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:					
Mr David Shaw	80,004	7,600	-	56,749	144,353
Executive Directors:					
Mr Alexis Clark	250,000	23,750	-	34,049	307,799
Mr Jim Angelopoulos	69,996	6,650	-	113,498	190,144
Mr Frank Pirera	69,996	6,650	-	56,749	133,395
Other Key Management Personnel:					
Mr Kleanthe Hatziladas *	360,000	-	-	-	360,000
	829,996	44,650	-	261,045	1,135,691

* Payments were made to Mr Hatziladas through California Services Pty Ltd.

	Short-term benefits	Post-employment benefits	Long-term benefits	Share-based payments	
2014	Cash salary and fees $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:					
Mr David Shaw *	-	-	-	-	-
Executive Directors:					
Mr A Clark **	15,000	-	-	-	15,000
Mr J Angelopoulos ***	-	-	-	-	-
Mr F Pirera *	-	-	-	-	-
Other Key Management Personnel:					
Mr Paul Flately ****	132,837	-	-	-	132,837
Mr Blaine Thinglestad ****	87,036	-	-	-	87,036
Mr Justin Dunn ****	38,008	-	-	-	38,008
Mr Kleanthe Hatziladas	120,000	-	-	-	120,000
	392,881	-	-	-	392,881

* Mr David Shaw and Mr Frank Pirera were appointed as directors on 10 January 2014.
** Mr Alexis Clark was appointed as a Director on 20 February 2014.
*** Mr Jim Angelopoulos was appointed as a Director on 2 November 2011.
**** Payments were made to Mr Hatziladas through California Services Pty Ltd.
***** Mr Paul Flately resigned as CEO on 2 March 2014. Mr Blaine Thinglestad resigned on 3 July 2014. Mr Justin Dunn resigned on 15 September 2014.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk - STI		At risk - LTI	
Name	2015	2014	2015	2014	2015	2014
Non-Executive Directors:						
Mr David Shaw	61%	-%	-%	-%	39%	-%
Executive Directors:						
Mr Alexis Clark	89%	100%	-%	-%	11%	-%
Mr Jim Angelopoulos	40%	-%	-%	-%	60%	-%
Mr Frank Pirera	58%	-%	-%	-%	42%	-%
Other Key Management Personnel:						
Mr Paul Flately	-%	100%	-%	-%	-%	-%
Mr Blaine Thingelstad	-%	100%	-%	-%	-%	-%
Mr Justin Dunn	-%	100%	-%	-%	-%	-%
Mr Kleanthe Hatziladas	100%	100%	-%	-%	-%	-%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Mr David Shaw
Title:	Director & Non-executive Chairman
Agreement commenced:	6 March 2014
Term of agreement:	No fixed term
Termination Provisions:	The Company may terminate the agreement immediately in the event of serious misconduct or neglect in the discharge of his duties. Furthermore the Company may terminate the agreement without cause at any time by giving 1 months written notice to the Director, and making payment of 1 month's remuneration in lieu of notice. The Director may terminate the agreement by providing 1 month's written notice to the Company.

Name:	Mr Alexis Clark
Title:	Chief Executive Officer
Agreement commenced:	7 April 2014
Term of agreement:	No fixed term
Termination Provisions:	The Company may terminate the agreement immediately in the event of serious misconduct or neglect in the discharge by the CEO of his duties. Furthermore the Company may terminate the agreement without cause at any time by giving 3 months written notice to the CEO, and making payment of 3 month's remuneration in lieu of notice. The CEO may terminate the agreement by providing 3 month's written notice to the Company.

Name:	Mr Jim Angelopoulos
Title:	Chief Operations Officer
Agreement commenced:	6 March 2014
Term of agreement:	No fixed term
Termination Provisions:	The Company may terminate the agreement immediately in the event of serious misconduct or neglect in the discharge of his duties. Furthermore the Company may terminate the agreement without cause at any time by giving 1 months written notice to the Director, and making payment of 1 month's remuneration in lieu of notice. The Director may terminate the agreement by providing 1 month's written notice to the Company.

Name:	Mr Frank Pirera
Title:	Company Secretary and Chief Financial Officer
Agreement commenced:	6 March 2014
Term of agreement:	No fixed term
Termination Provisions:	The Company may terminate the agreement immediately in the event of serious misconduct or neglect in the discharge of his duties. Furthermore the Company may terminate the agreement without cause at any time by giving 1 months written notice to the Director, and making payment of 1 month's remuneration in lieu of notice. The Director may terminate the agreement by providing 1 month's written notice to the Company.

Name:	Mr Kleanthe Hatziladas
Title:	Consultant
Agreement commenced:	15 June 2012
Term of agreement:	36 months
Details:	Fees set at $30,000 per month post listing ($10,000 per month pre-listing), plus reimbursement of travel and accommodation expenses. The agreement ended on 15 June 2015, and was not renewed. Services will continue to be provided on a monthly basis, at a reduced rate of $15,000 per month.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2015.

Performance rights
The terms and conditions of each grant of performance rights affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
25/11/2014	Immediately upon satisfaction of terms	25/11/2019	$0.200	$0.078
25/11/2014	Immediately upon satisfaction of terms	25/11/2019	$0.500	$0.053
25/11/2014	Immediately upon satisfaction of terms	25/11/2019	$1.000	$0.033

Performance rights granted carry no dividend or voting rights.

The number of performance rights granted to and vested by directors and other key management personnel as part of compensation during the year ended 30 June 2015 are set out below:

Name	Number of performance rights granted during the year 2015	Number of performance rights granted during the year 2014	Number of performance rights vested during the year 2015	Number of performance rights vested during the year 2014
Mr David Shaw	875,000	-	-	-
Mr Alexis Clark	1,750,000	-	-	-
Mr Jim Angelopoulos	1,750,000	-	-	-
Mr Frank Pirera	875,000	-	-	-

Values of performance rights granted, exercised and lapsed for directors and other key management personnel as part of compensation during the year ended 30 June 2015 are set out below:

Name	Value of performance rights granted during the year $	Value of performance rights exercised during the year $	Value of performance rights lapsed during the year $	Remuneration performance rights options for the year %
Mr David Shaw	56,749	-	-	39%
Mr Alexis Clark	34,049	-	-	11%
Mr Jim Angelopoulos	113,498	-	-	60%
Mr Frank Pirera	56,749	-	-	42%

Additional information

The earnings of the consolidated entity for the two years to 30 June 2015 are summarised below:

	2015 $	2014 $
Loss after income tax	(3,721,267)	(629,152)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2015	2014
Share price at financial year end ($)	0.17	-
Basic loss per share (cents per share)	(2.60)	(0.61)
Diluted loss per share (cents per share)	(2.60)	(0.61)

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr David Shaw	1,000,000	-	150,000	-	1,150,000
Mr Alexis Clark	3,500,000	-	130,000	-	3,630,000
Mr Jim Angelopoulos	3,500,120	-	180,000	-	3,680,120
Mr Frank Pirera	1,000,000	-	160,000	-	1,160,000
Mr Kleanthe Hatziladas	17,109,735	-	1,102,335	-	18,212,070
	26,109,855	-	1,722,335	-	27,832,190

Performance rights
The number of performance rights held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Performance rights					
Mr David Shaw	-	875,000	-	-	875,000
Mr Alexis Clark	-	1,750,000	-	-	1,750,000
Mr Jim Angelopoulos	-	1,750,000	-	-	1,750,000
Mr Frank Pirera	-	875,000	-	-	875,000
Mr Kleanthe Hatziladas	-	-	-	-	-
	-	5,250,000	-	-	5,250,000

Loans to key management personnel and their related parties
There were no loans to key management personnel and their related parties in place during the year.

Other transactions with key management personnel and their related parties
Set out below is a summary of all contracts that exist, or existed during the current or previous financial period, between the consolidated entity and Mr Kleanthe Hatziladas or his associates, and the resulting transactions.

ADC Service Agreement:
On 8 February 2012, Australian Development Consortium Residential and Commercial Developers Pty Ltd (ADC), a company associated with Mr Hatziladas, entered in a consultancy agreement with the Company (ADC Services Agreement) pursuant to which California Services Pty Ltd agreed to provide resources required by American Patriot to administer its business activities. Under the terms of the ADC Service Agreement, the consolidated entity paid costs of $120,000 during the financial year (30 June 2014: $60,000).

Agreement to Lease:
Under a lease agreement with JK Hatz Pty Ltd (ACN 125 634 648) the Company paid rent on office space of $70,000 during the year ended 30 June 2015 (30 June 2014: $11,666). The lease is on arm's length, industry standard terms.

Sale of Assets:
On 10 March 2012, the Company entered into an agreement with Pasic Pty Ltd (ACN 119 483 251) (Pasic) pursuant to which Pasic transferred leasehold interests over 5,422.55 acres of land situated in Garfield, Montana (Pasic Leasehold) to APOG Inc. At the time the agreement was entered into Pasic was associated with Mr Hatziladas. In consideration for the transfer of the Pasic Leasehold, the Company:
(i) paid Pasic USD$1 million; and
(ii) issued Pasic 2,500,000 Shares at an issue price of $0.20. Completion of the purchase of Pasic Leasehold occurred on 28 February 2014.

Loans from related parties:
On 15th August 2013 the Company entered into an agreement with Hatz Investments Pty Ltd, a company associated with Mr Hatziladas, for the advance to the Company of $200,000 for the acquisition of mining tenements. The loan was drawn down and repaid on 30/11/2013 along with interest of $200,000, as specified within the agreement, making a total repayment of $400,000.

This concludes the remuneration report, which has been audited.

Shares under option
Unissued ordinary shares of American Patriot Oil & Gas Limited under option at the date of this report are as follows:

	Expiry date	Exercise price	Number under option
Listed options	24 October 2016	$0.250	72,107,965
Performance rights Class A*	30 November 2019	$0.200	3,000,000
Performance rights Class B*	30 November 2019	$0.500	1,500,000
Performance rights Class C*	30 November 2019	$1.000	750,000
			77,357,965

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

* Performance rights are exercisable only upon achievement of a set share price hurdle.

Shares issued on the exercise of options
There were no ordinary shares of American Patriot Oil & Gas Limited issued on the exercise of options during the year ended 30 June 2015 and up to the date of this report.

Indemnity and insurance of officers
The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company is a party to Deeds of Indemnity in favour of each Director referred to in this report who held office during the year, as well as senior executives and statutory officers. The indemnities operate to the full extent permitted by law and are not subject to a monetary limit. American Patriot Oil and Gas limited is not aware of any liability having arisen, and no claim has been made, during or since the financial year under the Deeds of Indemnity.

Indemnity and insurance of auditor
The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services
There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of George Georgiou
There are no officers of the company who are former partners of George Georgiou.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on the following page.

Auditor
Mr George Georgiou continues in office in accordance with section 327 of the Corporations Act 2001.

American Patriot Oil & Gas Limited
Directors' report
30 June 2015

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Mr David Shaw
Non-Executive Chairman
30 September 2015

GEORGE GEORGIOU FCA
Level 13, 636 St Kilda Road Melbourne VIC 3004
Phone: +61 3 8508 7800 Fax: + 61 3 8508 7859
Mobile: 0418 362 058

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001

As lead auditor for the audit of American Patriot Oil and Gas Limited for the year ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

(a) No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of American Patriot Oil and Gas Limited.

GEORGE GEORGIOU FCA
Registered Company Auditor
ASIC Registration: 10310

Dated: 30 September 2015

American Patriot Oil & Gas Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2015

	Note	Consolidated 2015 $	2014 $
Revenue	6	68,232	309
Other income	7	36,594	1,122,070
Expenses			
Administration		(89,914)	(119,497)
Consultant fees		(1,140,216)	(639,471)
Employee benefits expense		(646,220)	(238,562)
Corporate expenses		(816,171)	(248,381)
Depreciation and amortisation expense		(25,980)	(30,851)
Exploration costs written off	15	(568,691)	-
Travel related expenditure		(156,457)	(159,669)
Occupancy expenses		(120,694)	(88,165)
Share based payments	8	(261,045)	-
Finance costs		(705)	(226,935)
Loss before income tax expense		(3,721,267)	(629,152)
Income tax expense	9	-	-
Loss after income tax expense for the year attributable to the owners of American Patriot Oil & Gas Limited		(3,721,267)	(629,152)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		1,064,637	70,538
Other comprehensive income for the year, net of tax		1,064,637	70,538
Total comprehensive loss for the year attributable to the owners of American Patriot Oil & Gas Limited		(2,656,630)	(558,614)
		Cents	**Cents**
Basic loss per share	34	(2.60)	(0.61)
Diluted loss per share	34	(2.60)	(0.61)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

American Patriot Oil & Gas Limited
Statement of financial position
As at 30 June 2015

	Note	Consolidated 2015 $	2014 $
Assets			
Current assets			
Cash and cash equivalents	10	1,501,722	46,829
Trade and other receivables	11	42,636	36,295
Income tax refund due	12	-	52,748
Other	13	249,201	564,186
Total current assets		1,793,559	700,058
Non-current assets			
Property, plant and equipment	14	163,169	139,661
Exploration and evaluation	15	5,816,046	2,433,566
Deferred tax	16	-	4,749
Total non-current assets		5,979,215	2,577,976
Total assets		7,772,774	3,278,034
Liabilities			
Current liabilities			
Trade and other payables	17	200,126	1,127,967
Employee benefits	18	17,183	-
Total current liabilities		217,309	1,127,967
Non-current liabilities			
Employee benefits	19	1,496	-
Total non-current liabilities		1,496	-
Total liabilities		218,805	1,127,967
Net assets		7,553,969	2,150,067
Equity			
Issued capital	20	12,209,387	4,409,900
Reserves	21	1,356,087	30,405
Accumulated losses		(6,011,505)	(2,290,238)
Total equity		7,553,969	2,150,067

The above statement of financial position should be read in conjunction with the accompanying notes

American Patriot Oil & Gas Limited
Statement of changes in equity
For the year ended 30 June 2015

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2013	3,127,900	(40,133)	(1,661,086)	1,426,681
Loss after income tax expense for the year	-	-	(629,152)	(629,152)
Other comprehensive income for the year, net of tax	-	70,538	-	70,538
Total comprehensive income for the year	-	70,538	(629,152)	(558,614)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 20)	782,000	-	-	782,000
Settlement of liabilities during the year	500,000	-	-	500,000
Balance at 30 June 2014	4,409,900	30,405	(2,290,238)	2,150,067

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2014	4,409,900	30,405	(2,290,238)	2,150,067
Loss after income tax expense for the year	-	-	(3,721,267)	(3,721,267)
Other comprehensive income for the year, net of tax	-	1,064,637	-	1,064,637
Total comprehensive income for the year	-	1,064,637	(3,721,267)	(2,656,630)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 20)	7,583,163	-	-	7,583,163
Issue of options	216,324	-	-	216,324
Performance rights issued	-	261,045	-	261,045
Balance at 30 June 2015	12,209,387	1,356,087	(6,011,505)	7,553,969

The above statement of changes in equity should be read in conjunction with the accompanying notes

American Patriot Oil & Gas Limited
Statement of cash flows
For the year ended 30 June 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Cash flows from operating activities			
Payments to suppliers and employees (inclusive of GST)		(3,309,155)	(1,411,571)
Interest received		68,053	309
Interest and other finance costs paid		-	(200,000)
Income taxes refunded		56,360	-
Income taxes paid		-	(57,612)
Net cash used in operating activities	33	(3,184,742)	(1,668,874)
Cash flows from investing activities			
Payments for property, plant and equipment	14	(84,518)	(118,636)
Payments for exploration and evaluation	15	(3,195,321)	(2,203,832)
Production revenue received	15	74,715	-
Proceeds from sale of property		-	3,045,317
Net cash from/(used in) investing activities		(3,205,124)	722,849
Cash flows from financing activities			
Proceeds from issue of shares	20	8,181,000	797,000
Proceeds from issue of options	20	216,324	-
Proceeds from borrowings		-	200,000
Share issue transaction costs		(597,837)	(15,000)
Repayment of borrowings		-	(200,000)
Net cash from financing activities		7,799,487	782,000
Net increase/(decrease) in cash and cash equivalents		1,409,621	(164,025)
Cash and cash equivalents at the beginning of the financial year		46,829	210,854
Effects of exchange rate changes on cash and cash equivalents		45,272	-
Cash and cash equivalents at the end of the financial year	10	1,501,722	46,829

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. General information

The financial statements cover American Patriot Oil & Gas Limited as a consolidated entity consisting of American Patriot Oil & Gas Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is American Patriot Oil & Gas Limited's functional and presentation currency.

American Patriot Oil & Gas Limited is a listed public company limited by shares, incorporated and domiciled in Australia.

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 30 September 2015. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The financial report has been prepared on the going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The Group had net operating cash outflows for the year ended 30 June 2015 of $3,184,742 and a closing cash balance of $1,501,722 at 30 June 2015. The going concern of the consolidated entity is dependent upon it maintaining sufficient funds for its operations and commitments. The Directors continue to monitor the ongoing funding requirements of the consolidated entity. The Directors are confident that sufficient funds can be secured if required by a combination of capital raising and sale of assets to enable the consolidated entity to continue as a going concern and as such are of the opinion that the financial report has been appropriately prepared on a going concern basis.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 29.

Note 2. Significant accounting policies (continued)

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of American Patriot Oil & Gas Limited ('company' or 'parent entity') as at 30 June 2015 and the results of all subsidiaries for the year then ended. American Patriot Oil & Gas Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is American Patriot Oil & Gas Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Note 2. Significant accounting policies (continued)

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents
Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 2. Significant accounting policies (continued)

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Other receivables are recognised at amortised cost, less any provision for impairment.

Joint operations
A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications.

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	5 years
Furniture & fixtures	4 years
Computer equipment	4 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Petroleum exploration and evaluation assets
Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the year in which the decision is made.

Provision for restoration and rehabilitation
A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration activities undertaken, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of abandoning exploration sites and restoring the affected areas.

The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

The initial estimate of the restoration and rehabilitation provision relating to exploration facilities is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision for restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

Impairment

Note 2. Significant accounting policies (continued)

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bond rate with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Provision is made for the Group’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits.

Contributions made by the Company to employee superannuation funds are charged as expenses when incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 2. Significant accounting policies (continued)

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Issued capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Loss per share

Basic loss per share
Basic loss per share is calculated by dividing the loss attributable to the owners of American Patriot Oil & Gas Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted loss per share
Diluted loss per share adjusts the figures used in the determination of basic loss per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Note 2. Significant accounting policies (continued)

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2015. The consolidated entity has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions
The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Income tax
The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain.
Recovery of deferred tax assets
Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Exploration and evaluation costs
Exploration and evaluation costs have been capitalised on the basis that the consolidated entity will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Joint arrangements
The consolidated entity holds a 21.5% interest in the Northern Star project. The arrangement relates to exploration activities in the Northern Star project, and is governed by a joint arrangement agreement with the operator of the project. Based on the agreement the consolidated entity has determined that it forms a joint operation in accordance with AASB 11 *Joint Arrangements* and has accounted for its expenditure in relation to this arrangement accordingly. As a result, all expenditure on the Northern Star project is capitalised in accordance with the consolidated entity's accounting policy for petroleum exploration assets.

Note 4. Restatement of comparatives

Correction of error
The financial report for the year ended 30 June 2014 included a number of trade payable balances that were incorrectly classified as borrowings in the statement of financial position and the statement of cash flows. Also receipts, repayments and interest for a loan were not correctly disclosed in the statement of cash flows.

Statement of profit or loss and other comprehensive income
When there is a restatement of comparatives, it is mandatory to provide a statement of profit or loss and other comprehensive income for the year ended 30 June 2014. However, as there were no adjustments made, the consolidated entity has elected not to show the statement of profit or loss and other comprehensive income.

Statement of financial position at the beginning of the earliest comparative period
When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2013. However, as there were no adjustments made as at 1 July 2013, the consolidated entity has elected not to show the 1 July 2013 statement of financial position.

Reclassifications

Current liabilities - trade and other payables

	Consolidated		
	2014 $	2014 $	2014 $
Trade payables	304,316	654,103	958,419
Borrowings	654,103	(654,103)	-
	958,419	-	958,419

Cash flow statement

	Consolidated		
	2014 $	2014 $	2014 $
Payments to suppliers and employees	(1,271,823)	(139,748)	(1,411,571)
Interest and other finance costs paid	(57,612)	(200,000)	(257,612)
Proceeds from borrowings	-	200,000	200,000
Repayment of borrowings	(339,748)	139,748	(200,000)
	(1,669,183)	-	(1,669,183)

Note 5. Operating segments

Identification of reportable operating segments
The consolidated entity operates predominantly as an explorer for oil and gas with exploration activities being undertaken mainly in United States of America.

AASB 8 *Operating Segments* requires operating segments to be identified on the basis of internal reports about the components of the consolidated entity that are regularly reviewed by the Chief Operating Decision Makers in order to allocate resources to the segment and to assess its performance. The Board of Directors reviews the consolidated entity as a whole in the business segment of oil and gas exploration.

Note 5. Operating segments (continued)

Geographical information

	Sales to external customers		Geographical non-current assets	
	2015 $	2014 $	2015 $	2014 $
Australia	-	-	99,939	121,101
USA	74,715	-	5,953,991	2,456,875
	74,715	-	6,053,930	2,577,976

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

Note 6. Revenue

	Consolidated	
	2015 $	2014 $
Interest	68,053	309
Other revenue	179	-
Revenue	68,232	309

Note 7. Other income

	Consolidated	
	2015 $	2014 $
Net foreign exchange gain	36,594	-
Net gain on farm-in arrangement	-	1,122,070
Other income	36,594	1,122,070

During the previous year the consolidated entity entered into an agreement to farm-out 70% of its interest in the Northern Star Project in Montana. The proceeds received for the farm-out from Great Western amounted to US$3,028,102. The net gain is the net figure after deducting all previous expenditure on the Northern Star Project incurred by American Patriot Oil and Gas Ltd.

Note 8. Expenses

	Consolidated	
	2015 $	2014 $
Loss before income tax includes the following specific expenses:		
Share-based payments expense		
Share-based payments expense	261,045	-

Note 9. Income tax expense

	Consolidated 2015 $	Consolidated 2014 $
Numerical reconciliation of income tax expense and tax at the statutory rate		
Loss before income tax expense	(3,721,267)	(629,152)
Tax at the statutory tax rate of 30%	(1,116,380)	(188,746)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Expenses relating to US operations not deductible in parent entity tax jurisdiction	109,271	-
Share-based payments	78,313	-
Exchange differences on foreign operation tax losses	559,441	-
Other non-deductible items	5,109	46,009
	(364,246)	(142,737)
Current year tax losses not recognised	500,941	142,288
Current year temporary differences not recognised	(13,936)	449
Difference in overseas tax rates	(122,759)	-
Income tax expense	-	-

	Consolidated 2015 $	Consolidated 2014 $
Deferred tax assets not recognised		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Tax losses	1,154,037	668,684
Temporary differences	1,069,457	28,801
Total deferred tax assets not recognised	2,223,494	697,485

The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

Note 10. Current assets - cash and cash equivalents

	Consolidated 2015 $	Consolidated 2014 $
Cash on hand	120	120
Cash at bank	1,501,602	46,709
	1,501,722	46,829

Note 11. Current assets - trade and other receivables

	Consolidated 2015 $	Consolidated 2014 $
Trade receivables	6,810	-
Other receivables	-	18,951
GST receivable	35,826	17,344
	42,636	36,295

Note 12. Current assets - income tax refund due

	Consolidated 2015 $	Consolidated 2014 $
Income tax refund due	-	52,748

Note 13. Current assets - other

	Consolidated 2015 $	Consolidated 2014 $
Prepayments	249,201	564,186

Note 14. Non-current assets - property, plant and equipment

	Consolidated 2015 $	Consolidated 2014 $
Leasehold improvements - at cost	100,000	100,000
Less: Accumulated depreciation	(28,000)	(10,000)
	72,000	90,000
Fixtures and fittings - at cost	118,374	77,309
Less: Accumulated depreciation	(74,952)	(37,787)
	43,422	39,522
Motor vehicles - at cost	57,948	13,826
Less: Accumulated depreciation	(10,201)	(3,687)
	47,747	10,139
	163,169	139,661

Note 14. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improvement $	Fixtures & fittings $	Motor vehicles $	Total $
Balance at 1 July 2013	-	40,386	13,089	53,475
Additions	100,000	18,636	-	118,636
Exchange differences	-	(1,192)	(407)	(1,599)
Depreciation expense	(10,000)	(18,308)	(2,543)	(30,851)
Balance at 30 June 2014	90,000	39,522	10,139	139,661
Additions	-	26,570	57,948	84,518
Disposals	-	-	(9,909)	(9,909)
Exchange differences	-	1,832	1,033	2,865
Depreciation expense	(18,000)	(24,502)	(11,464)	(53,966)
Balance at 30 June 2015	72,000	43,422	47,747	163,169

Note 15. Non-current assets - exploration and evaluation

	Consolidated 2015 $	**Consolidated 2014 $**
Exploration and evaluation	5,816,046	2,433,566

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Exploration & evaluation $	Total $
Balance at 1 July 2013	2,080,710	2,080,710
Expenditure during the year	2,469,758	2,469,758
Disposals	(2,116,902)	(2,116,902)
Balance at 30 June 2014	2,433,566	2,433,566
Expenditure during the year	3,195,321	3,195,321
Receipts from production revenues	(74,715)	(74,715)
Exchange differences	830,565	830,565
Write off of exploration and evaluation expenditure	(568,691)	(568,691)
Balance at 30 June 2015	5,816,046	5,816,046

The ultimate recoupment of capitalised expenditure in relation to each area of interest is dependent on the successful development and commercial exploitation or, alternatively, sale of the respective areas the results of which are still uncertain. Capitalised costs amounting to $3,195,321 (2014: $2,203,832) have been included in cash flows from investing activities in the statement of cash flows.

Note 16. Non-current assets - deferred tax

	Consolidated	
	2015 $	2014 $
Deferred tax asset	-	4,749

Note 17. Current liabilities - trade and other payables

	Consolidated	
	2015 $	2014 $
Trade payables	50,015	436,834
Other payables	150,111	691,133
	200,126	1,127,967

Refer to note 23 for further information on financial instruments.

Note 18. Current liabilities - employee benefits

	Consolidated	
	2015 $	2014 $
Annual leave	17,183	-

Note 19. Non-current liabilities - employee benefits

	Consolidated	
	2015 $	2014 $
Long service leave	1,496	-

Note 20. Equity - issued capital

	Consolidated			
	2015 Shares	2014 Shares	2015 $	2014 $
Ordinary shares - fully paid	144,216,290	103,311,290	11,993,063	4,409,900
Options	72,108,145	-	216,324	-
	216,324,435	103,311,290	12,209,387	4,409,900

Note 20. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2013	92,841,290		3,127,900
Seed capital	31 January 2014	7,970,000	$0.100	797,000
Settlement of land with PASIC	28 February 2014	2,500,000	$0.200	500,000
Cost of equity raising		-		(15,000)
Balance	30 June 2014	103,311,290		4,409,900
Issue of shares through initial public offering	8 July 2014	40,905,000	$0.200	8,181,000
Capital raising costs		-		(597,837)
Balance	30 June 2015	144,216,290		11,993,063

Options

Details	Date	Options	Issue price	$
Balance	1 July 2013	-		-
Balance	30 June 2014	-		-
Public offering of options	15 September 2014	72,108,145	$0.003	216,324
Balance	30 June 2015	72,108,145		216,324

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options
Listed options are exercisable $0.25 (25 cents) and expire on 24 October 2016. The holder of the option is not entitled to participate in dividends and has no right to vote at shareholder meetings.

Share buy-back
There is no current on-market share buy-back.

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 21. Equity - reserves

	Consolidated 2015 $	Consolidated 2014 $
Foreign currency reserve	1,095,042	30,405
Share-based payments reserve	261,045	-
	1,356,087	30,405

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency translation $	Share based payments $	Total $
Balance at 1 July 2013	(40,133)	-	(40,133)
Foreign currency translation	70,538	-	70,538
Balance at 30 June 2014	30,405	-	30,405
Foreign currency translation	1,064,637	-	1,065,953
Performance rights issued	-	261,045	261,045
Balance at 30 June 2015	1,095,042	261,045	1,357,403

Note 22. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 23. Financial instruments

Financial risk management objectives
The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity.

Risk management is carried out by the Board of Directors ('the Board') using policies that include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits.

Note 23. Financial instruments (continued)

Market risk

Foreign currency risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. The consolidated entity's subsidiary operates in the US, and its functional currency is US Dollars. The results of the consolidated entity are presented in Australian Dollars, and therefore the results and net assets of the US subsidiary are subject to fluctuations as a result of exchange rate fluctuations.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rates		Reporting date exchange rates	
	2015	2014	2015	2014
Australian dollars				
US Dollars	1.1949	1.0895	1.3063	1.0594

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
Consolidated	2015 $	2014 $	2015 $	2014 $
US dollars	751,654	96,929	114,913	630,309

The parent entity operated a US dollar account during the year, and the balance at 30 June 2015 was US$389,977 (A$505,914).

The US based operation held cash and cash equivalents of US$170,940 (A$223,305) (2014: US$41,704 (A$44,181)). Other receivables amounted to US$17,174 (A$22,435) (2014: US$49,790 (A$52,748)

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity's only exposure to interest rate risk is primarily in relation to short-term deposits held which are held with reputable financial institutions.

As at the reporting date, the consolidated entity had the following variable rate borrowings and interest rate cash and deposits:

	2015		2014	
Consolidated	Weighted average interest rate %	Balance $	Weighted average interest rate %	Balance $
Cash and cash equivalents	2.00%	1,501,722	2.30%	46,829
Net exposure to cash flow interest rate risk		1,501,722		46,829

Potential variances in interest rates are not expected to have a significant impact on the financial report.

Note 23. Financial instruments (continued)

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity, and is related mainly to bank deposits and tax refunds. As such, credit risk is not considered significant at 30 June 2015. The maximum exposure to credit risk at the reporting date is $1,544,358.

Liquidity risk
Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2015	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	50,015	-	-	-	50,015
Other payables	-%	150,111	-	-	-	150,111
Total non-derivatives		200,126	-	-	-	200,126

Consolidated - 2014	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade payables	-%	436,834	-	-	-	436,834
Other payables	-%	691,133	-	-	-	691,133
Total non-derivatives		1,127,967	-	-	-	1,127,967

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value. The carrying amounts of trade receivables and trade payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial instruments.

Note 24. Key management personnel disclosures

Directors
The following persons were directors of American Patriot Oil & Gas Limited during the financial year:

Mr David Shaw	Non-Executive Chairman
Mr Alexis Clark	Chief Executive Officer
Mr Jim Angelopoulos	Chief Operations Officer
Mr Frank Pirera	Director, Company Secretary, CFO

Compensation
The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2015 $	2014 $
Short-term employee benefits	829,886	392,881
Post-employment benefits	44,650	-
Share-based payments	261,045	-
	1,135,691	392,881

Note 25. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by George Georgiou, the auditor of the company, and unrelated firms:

	Consolidated	
	2015 $	2014 $
Audit services – George Georgiou		
Audit or review of the financial statements	65,000	50,000
Other services - unrelated firms		
Independent Accountants Report - George Georgiou	-	15,000
Review of financial statements - US auditor	22,776	11,984
	22,776	26,984

Note 26. Contingent liabilities

The consolidated entity has no contingent liabilities at 30 June 2015 and 30 June 2014.

Note 27. Commitments

	Consolidated	
	2015 $	2014 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	130,313	512,100
One to five years	109,318	183,581
	239,631	695,681

Note 27. Commitments (continued)

Service Agreements
The Company has a service agreement with Australian Development Consortium Residential and Commercial Developers Pty Ltd, to provide it with the use of certain resources required to enable the Company to administer its business activities (including office equipment, computer hardware and software) and, in addition, has agreed to provide certain administrative, clerical, book keeping and consultancy services to the Company. The initial agreement had a term of one year and a monthly service fee of $10,000. The Agreement now operates on a month to month basis with either party having the right to terminate the agreement upon the provision of 30 days' written notice to the other party.

Operating Lease
American Patriot Oil and Gas Limited has entered into a lease agreement for office accommodation which commenced in December 2012 with a company in which Mr Kleanthe Hatziladas is a Director. Mr Kleanthe Hatziladas is a major shareholder of American Patriot Oil and Gas Limited. The key details of the lease are as follows:

Lease Term:	5 years
Annual rental:	$70,000 per annum
Annual increase	3%

The Directors believe the term of the lease was established on commercial terms. American Patriot Oil and Gas Limited has negotiated the right to withdraw from the lease by giving one months' notice to Mr Hatziladas

Royalties

American Patriot Oil and Gas, Inc has granted an overriding royalty interest to Morning Gun Exploration Inc. This overriding royalty interest was granted with respect to acreage that currently forms part of the Northern Star Project, the Panther Project, the Southern Sun Project and the Overthrust Project. Under the terms of the override Morning Gun Exploration is entitled to receive between 0% and 7.5% of production from the acreage the subject of Morning Gun Exploration's override. The override will not apply to newly acquired land, it will continue to apply to any extension, renewals, replacements of leases over land that is currently burdened by the overriding royalty interest.

Note 28. Related party transactions

Parent entity
American Patriot Oil & Gas Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 30.

Joint operations
Interests in joint operations are set out in note 31.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report in the directors' report.

At the date of initial admission to listing on the ASX the Board considered Mr Kleanthe Hatziladas was a promoter of the Company. Mr Hatziladas was founder of APOG LLC and was previously a director of APOG Inc and is a substantial Shareholder of the Company.

Transactions with related parties
Set out below is a summary of all contracts between American Patriot and Mr Hatziladas or his Associates:

Note 28. Related party transactions (continued)

ADC Service Agreement:
On 8 February 2012, Australian Development Consortium Residential and Commercial Developers Pty Ltd (ADC), a company associated with Mr Hatziladas, entered in a consultancy agreement with the Company (ADC Services Agreement) pursuant to which California Services Pty Ltd agreed to provide resources required by American Patriot to administer its business activities. Under the terms of the ADC Service Agreement, ADC is entitled to receive a monthly retainer of $5,000 (inclusive of GST) and reimbursements for travel and accommodation expenses incurred in the provision of the services to the Company. The monthly retainer increase to $10,000 per month upon the Company being admitted to the official list of the ASX.

The ADC Service Agreement had a term of 36 months and expired on 1 March 2015.

The Contract has not been renewed and will continue on a monthly basis.

Agreement to Lease:
On 7 December 2013 JK Hatz Pty Ltd (ACN 125 634 648) (Lessor), a company associated with Mr Hatziladas, and the Company entered into an agreement for lease (AFL). Pursuant to the AFL, the Company agreed to rent office space from the Lessor in a building at the rate of $70,000 per annum. The lease is on arm's length, industry standard terms.

Sale of Assets:
On 10 March 2012, the Company entered into an agreement with Pasic Pty Ltd (ACN 119 483 251) (Pasic) pursuant to which Pasic transferred leasehold interests over 5,422.55 acres of land situated in Garfield, Montana (Pasic Leasehold) to APOG Inc. At the time the agreement was entered into Pasic was associated with Mr Hatziladas. In consideration for the transfer of the Pasic Leasehold, the Company:
(i) paid Pasic USD$1 million; and
(ii) issued Pasic 2,500,000 Shares at an issue price of $0.20.
Completion of the purchase of Pasic Leasehold occurred on 28 February 2014.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2015	**2014**
	$	**$**
Current receivables:		
Loan to subsidiaries	6,909,158	2,486,324

Terms and conditions
Interest is charged at 5% per annum and the loan is due for repayment on or before 31 December 2017.

On 15th August 2013 the Company entered into an agreement with Hatz Investments Pty Ltd, a company associated with Mr Hatziladas, for the advance to the Company of $200,000 for the acquisition of mining tenements. The loan was drawn down and repaid on 30th November 2013 along with interest of $200,000, as specified within the agreement, making a total repayment of $400,000.

Note 29. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent 2015 $	2014 $
Loss after income tax	(2,259,316)	(706,890)
Total comprehensive loss	(2,259,316)	(706,890)

Statement of financial position

	Parent 2015 $	2014 $
Total current assets	1,502,249	496,276
Total assets	8,511,346	3,103,701
Total current liabilities	102,589	497,658
Total liabilities	104,085	497,658
Equity		
Issued capital	12,209,387	4,409,900
Share-based payments reserve	261,045	-
Accumulated losses	(4,063,171)	(1,803,857)
Total equity	8,407,261	2,606,043

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2015 and 30 June 2014.

Contingent liabilities
The parent entity had no contingent liabilities as at 30 June 2015 and 30 June 2014.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment at as 30 June 2015 and 30 June 2014.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2015 %	2014 %
American Patriot Oil and Gas Inc	USA	100.00%	100.00%
American Patriot Oil and Gas LLC	USA	100.00%	100.00%

Note 31. Interests in joint operations

The consolidated entity has recognised its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate classifications. Information relating to joint operations that are material to the consolidated entity are set out below:

Name	Principal place of business / Country of incorporation	Ownership interest 2015 %	Ownership interest 2014 %
Northern Star project	USA	21.50%	21.50%

Note 32. Events after the reporting period

On 29 September 2015 the consolidated entity announced that it had received a letter of Intent for the sale of the entire oil and gas asset portfolio of AOW for US$20m cash (AUD$28m) to a private US oil company, Edward Mike Davis, LLC. The Letter of Intent was received from the legal advisors of Edward Mike Davis, LLC and is subject to a number of terms and conditions.

The board have considered the offer and believe that the offer is opportunistic in the current oil price environment and substantially undervalues the potential value of AOW assets. The board noted that they believed it was in the best interests of shareholders of AOW to focus on the performance of the assets to realise the significant value and to continue discussions with potential bidders to extract a higher offer price for the Companies assets.

No other matter or circumstance has arisen since 30 June 2014 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 33. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated 2015 $	Consolidated 2014 $
Loss after income tax expense for the year	(3,721,267)	(629,152)
Adjustments for:		
Depreciation and amortisation	53,966	30,851
Net loss on disposal of property, plant and equipment	9,905	-
Share-based payments	261,045	-
Foreign exchange differences	390,101	-
Net gain from farm down arrangement	-	(1,122,070)
Write off of petroleum exploration assets	540,705	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(6,341)	(45,725)
Decrease/(increase) in income tax refund due	51,432	(7,743)
Decrease/(increase) in deferred tax assets	4,749	(4,884)
Decrease/(increase) in prepayments	314,985	(559,700)
Increase/(decrease) in trade and other payables	(1,102,701)	169,549
Increase in employee benefits	18,679	-
Payables converted to equity	-	500,000
Net cash used in operating activities	(3,184,742)	(1,668,874)

Note 34. Loss per share

	Consolidated	
	2015	**2014**
	$	**$**
Loss after income tax attributable to the owners of American Patriot Oil & Gas Limited	(3,721,267)	(629,152)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic loss per share	143,319,742	103,311,290
Weighted average number of ordinary shares used in calculating diluted loss per share	143,319,742	103,311,290
	Cents	**Cents**
Basic loss per share	(2.60)	(0.61)
Diluted loss per share	(2.60)	(0.61)

The rights to options held by option holders and the holders of performance rights have not been included in the weighted average number of ordinary shares for the purposes of calculating diluted EPS as they do not meet the requirements for inclusion in AASB 133 “Earnings per Share”. The rights to options are non-dilutive as the consolidated entity is loss generating.

Note 35. Share-based payments

During the year the consolidated entity granted a total of 5,250,000 unlisted Performance Options following shareholder approval received at the Company's 2014 Annual General Meeting of shareholders held on 25 November 2014. The performance rights granted contained conditions relating to the significant improvement in the market capitalisation of the Company, aligning the interests of the holders to those of the shareholders. Each of the recipients received 3 classes of Performance Rights, each with different market conditions as noted below:

Class A Rights
- 3,000,000 Class A Rights which vest where the Company's share price is equal to or greater than a 45 day VWAP of $0.50 per share. The exercise price of these rights is set at $0.20 per right. The Rights were issued as follows: -

- Mr David Shaw 500,000
- Mr Jim Angelopoulos 1,000,000
- Mr Frank Pirera 500,000
- Mr Alexis Clark* 1,000,000

Class B Rights
- 1,500,000 Class A Rights which vest where the Company's share price is equal to or greater than a 45 day VWAP of $1.00 per share. The exercise price of these rights is set at $0.50 per right. The Rights were issued as follows: -

- Mr David Shaw 250,000
- Mr Jim Angelopoulos 500,000
- Mr Frank Pirera 250,000
- Mr Alexis Clark* 500,000

Class C Rights
- 750,000 Class A Rights which vest where the Company's share price is equal to or greater than a 45 day VWAP of $2.00 per share. The exercise price of these rights is set at $1.00 per right. The Rights were issued as follows: -

- Mr David Shaw 125,000
- Mr Jim Angelopoulos 250,000
- Mr Frank Pirera 125,000
- Mr Alexis Clark* 250,000

Note 35. Share-based payments (continued)

* In addition to the above terms, Mr Alexis Clark also has the following conditions:

- The CEO adequately implements and successfully executes the capital management plan of the Company. Such plan to be approved by the Directors (and any subsequent amendments) and address the current and future capital needs of the Company.
- The CEO is instrumental in the identification, negotiation and conclusion of a joint venture arrangement in relation to the one or more of the Company's assets. Such joint venture arrangement to be Board approved and, in the opinion of the Board, be material or meaningful to the Company at the point of finalisation.

Set out below are summaries of performance rights granted under the plan:

2015

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
25/11/2014	25/11/2019	$0.000	-	3,000,000	-	-	3,000,000
25/11/2014	25/11/2019	$0.000	-	1,500,000	-	-	1,500,000
25/11/2014	25/11/2019	$0.000	-	750,000	-	-	750,000
			-	5,250,000	-	-	5,250,000

The weighted average remaining contractual life of options outstanding at the end of the financial year was 4 years and 5 months.

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
25/11/2014	25/11/2019	$0.170	$0.200	79.99%	-%	3.35%	$0.078
25/11/2014	25/11/2019	$0.170	$0.500	79.99%	-%	3.35%	$0.053
25/11/2014	25/11/2019	$0.170	$1.000	79.99%	-%	3.35%	$0.033

American Patriot Oil & Gas Limited
Directors' declaration
30 June 2015

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Mr David Shaw
Non-Executive Chairman
30 September 2015

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INDEPENDENT AUDIT REPORT TO THE MEMBERS OF AMERICAN PATRIOT OIL AND GAS LIMITED AND CONTROLLED ENTITIES

Report on the Financial Report

We have audited the accompanying financial report of American Patriot Oil and Gas Limited, which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' Responsibility for the Financial Report

The directors of American Patriot Oil and Gas Limited are responsible for the preparation of the financial report that give a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. In note 2, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with International Financial Reporting Standards.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, provided to the directors of American Patriot Oil and Gas Limited, would be in the same terms if provided to the directors as at the date of this auditor's report.

GEORGE GEORGIOU
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Mobile: 0418 362 058

Auditor's Opinion

In our opinion the financial report of American Patriot Oil and Gas Limited is in accordance with the Corporations Act 2001, including:

(a) Giving a true and fair view of the company's and consolidated entity's financial positions as at 30 June 2015 and of their performance for the year ended on that date; and

(b) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

The consolidated financial statements and notes also comply with *International Financial Reporting Standards* as disclosed in note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 9-15 of the director's report for the period ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion of the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Opinion

In our opinion, the Remuneration Report of American Patriot Oil and Gas Limited for the period ended 30 June 2015 complies with section 300A of the Corporation Act 2001.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 2 in the financial report, which indicates the existence of material uncertainty which may cast a significant doubt on the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise their assets and discharge its liabilities in the normal course of business and at the amounts stated on the financial report.

GEORGE GEORGIOU FCA
Registered Company Auditor
ASIC Registration: 10310
Dated 30 September 2015

American Patriot Oil & Gas Limited
Shareholder information
30 June 2015

The shareholder information set out below was applicable as at 7 September 2015.

Distribution of equitable securities
Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of options over ordinary shares
1 to 1,000	7	2
1,001 to 5,000	30	104
5,001 to 10,000	110	13
10,001 to 100,000	170	95
100,001 and over	109	82
	426	296
Holding less than a marketable parcel	24	238

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
Fand (Vic) Pty Ltd	15,000,000	10.40
Queensland Investment No. 4 Pty Ltd	8,000,000	5.55
UBS Wealth Management Australia Pty Ltd	7,427,907	5.15
Pellicano Pty Ltd	6,000,000	4.16
Holicarl Pty Ltd	5,000,000	3.47
H-Pel Pty Ltd	4,000,000	2.77
Blaine Thingelstad	3,500,000	2.43
Paul Flately	3,500,000	2.43
Phoenix JDK Pty Ltd	3,500,000	2.43
Alexis Clark	3,500,000	2.43
Carad Investments Pty Ltd	3,000,000	2.08
Kleanthe Investments Pty Ltd	2,719,470	1.89
Sayers Investment (ACT) Pty Ltd	2,530,000	1.75
Notting Enterprises Pty Ltd	2,500,000	1.73
Hatz Investments Pty Ltd	2,500,000	1.73
Baddad Pty Ltd	2,500,000	1.73
SMC Capital Pty Ltd	2,124,170	1.47
Spiro Vlahos	2,000,000	1.39
Anthony Hatziladas	2,000,000	1.39
Sayers Investment (ACT) Pty Ltd	1,770,000	1.23
	83,071,547	57.61

	Options over ordinary shares Number held	ordinary shares % of total options issued
Hatz Investments Pty Ltd	7,081,681	9.82
Fand (Vic) Pty Ltd	6,750,000	9.36
Queensland Investment No. 4 Pty Ltd	4,250,000	5.89
Pellicano Pty Ltd	3,750,000	5.20
UBS Wealth Management Australia Pty Ltd	2,816,763	3.91
Holicarl Pty Ltd	2,500,000	3.47
Carad Investments Pty Ltd	2,250,000	3.12
H-Pel Pty Ltd	2,000,000	2.77
Alexis Clark	1,750,000	2.43
Phoenix JDK Pty Ltd	1,750,000	2.43
SMC Capital Pty Ltd	1,627,500	2.26
Drax Nominees Pty Ltd	1,450,000	2.01
Kleanthe Investments Pty Ltd	1,359,735	1.89
Sayers Investment (ACT) Pty Ltd	1,265,000	1.75
Hatz Investments Pty Ltd	1,250,000	1.73
Notting Enterprises Pty Ltd	1,250,000	1.73
Baddad Pty Ltd	1,250,000	1.73
Sayers Investment (ACT) Pty Ltd	1,235,000	1.71
Spiro Vlahos	1,000,000	1.39
Anthony Hatziladas	1,000,000	1.39
	47,585,679	65.99

Unquoted equity securities

ASX Restricted Securities

	Number
Fully paid ordinary shares under escrow until 8 July 2016	69,659,735

Substantial holders
Substantial holders in the company are set out below:

	Ordinary shares Number held	% of total shares issued
Fand (Vic) Pty Ltd	15,000,000	10.40
Queensland Investment No 4 Pty Ltd	8,000,000	5.55
UBS Wealth Management Australia Nominees Pty Ltd	7,427,907	5.15

Voting rights
The voting rights attached to ordinary shares are set out below:

Ordinary shares
On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Current Petroleum Tenements at 30 June 2015

United States Acreage	Location	Working Interest	Joint Venture Partner	Gross Acres Held at 30 June 2015
Northern Star (includes 319 leases)	Montana	Depth Dependent	Treasure Exploration/Anadarko Minerals	62,443
Panther Prospect (includes 28 leases)	Montana	100%		12,430
Southern Sun (includes 6 leases)	Utah	100%		3,728
Overthrust (includes 1 lease)	Wyoming	100%		640
Rough House (includes 23 leases)	Colorado	80-100%		17,415