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ASX Announcement

RUNNING FOXES PETROLEUM SUCCESSFULLY COMPLETES DUE DILIGENCE PROCESS

Highlights

- **Running Foxes Petroleum Inc. has advised that it has completed its due diligence process following its recent takeover bid for American Patriot**
- **Cash bid at \$0.22 per share for 100% of the share capital in the Company**
- **Shareholders advised to take no action at this point in time**
- **Discussions continue with RFP and other interested parties**

American Patriot Oil and Gas (**AOW** or the **Company**) is pleased to announce that Running Foxes Petroleum Inc. (**RFP**), its joint venture partner for the Rough House Project in Colorado USA, has successfully completed its due diligence process on the Company. This follows RFP's unsolicited cash takeover bid at \$0.22 per share for 100% of the share capital in the Company, announced to the market on the 23rd of February, 2016. As a part of the due diligence, RFP has conducted an extensive review of AOW's property titles and lease acreage position.

The board of AOW is considering the takeover offer by RFP and will provide further updates in the near future. In the meantime, shareholders are advised to take no action in relation to the offer as the board are approaching major shareholders to determine their interest and ascertain if the minimum acceptance level can be achieved. The bid remains subject to RFP holding a minimum relevant interest of 90% of the shares in AOW.

In addition to ongoing discussions with RFP, AOW is in discussions with a number of other interested parties.

RFP is a significant private energy company backed by private equity and has operated for the last 20 years. RFP has discovered a number of significant oil fields and has a number of producing oil fields on shore USA.

Capital Investment Partners is advising AOW in relation to the takeover bid.

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About Running Foxes Petroleum Inc.

Founded in 1998, Running Foxes Petroleum Inc. (RFP) is a private energy company located in Centennial, Colorado. The company is actively engaged in the drilling and development of natural gas and oil projects in the continental United States with their primary focus on shallow conventional oil and gas and unconventional shale oil and gas plays in the Mid-Century and Rocky Mountain regions. RFP continues to operate successfully as a low cost operator with extensive experience in waterfloods, coal bed methane and shale gas, RFP has discovered significant fields such as Old Homestead and Arikaree Creek, and revitalized old fields such as Livengood for itself and partners. Commitment to cost control has allowed RFP to continue and expand regardless of the price environment. RFP is fortunate to be able to offset costs inherent with drilling and remain generally self-sufficient by owning drill rigs, work over units, water trucks, acid trucks and staffing a versatile and knowledgeable staff. With a focus on shallow conventional production, RFP continues to look for opportunities in areas away from overpriced shale plays.

About American Patriot Oil and Gas

American Patriot Oil and Gas (AOW) is an oil and natural gas exploration and development (E&P) group headquartered in Melbourne, Australia, with a U.S. office in Denver, Colorado. The Company has approximately 30,914 net mineral acres under lease across 5 key projects. The projects are geographically focused on tight oil exploration and development opportunities in the Rocky Mountain Basins. Since its establishment, AOW has assembled a portfolio of prospective oil and gas exploration assets in the USA and has completed joint venture agreements on its key Northern Star asset in Montana with U.S. based partners. AOW's business model is to internally generate prospects using geological knowledge, capture significant land positions at a low cost, and then reduce or remove risk capital exposure through a farm-out of a majority interest to a qualified U.S. operator in a cash and carry deal. AOW project map:

