

Shareholder FAQ All American Oil & Gas

1. What has All American Oil & Gas Inc announced?

- All American Oil & Gas Inc., and its wholly-owned subsidiaries, Kern River Holdings Inc. and Western Power & Steam, Inc. (collectively, “AAOG” or the “Company”), has made the strategic decision to reorganize under Chapter 11 of the United States Bankruptcy Code.

2. Is the Company going out of business?

- No, this is not a liquidation. The court-supervised Chapter 11 restructuring process is designed to protect the value of the Company while it addresses its balance sheet and is anticipated to put AAOG on stronger financial footing for the future.

3. What is the status of the annual shareholders meeting?

- Shareholders will receive notice of the time and date of the annual shareholders meeting once set. Notwithstanding the bankruptcy filing, the annual shareholders meeting is expected to occur before the end of January 2019, and there will be a presentation and Q&A opportunity concerning the bankruptcy proceedings at that time.

4. Why did the Company file Chapter 11?

- This action was taken as a result of a dispute with our new primary lender, which purchased our debt from or prior lenders on or about October 17, 2018. We intend to re-align our capital structure so we can continue to grow and thrive in today’s market. The chapter 11 process will allow us to continue our operations in the ordinary course and focus on maximizing the value of the business.

5. What does a chapter 11 filing mean for my stock? Will I be able to recover any value?

- It is uncertain at this time. We filed for Chapter 11 to strengthen our balance sheet, protect our assets and enhance the value of our business. We expect to emerge from chapter 11 as a stronger company that is well positioned for long-term success. Before filing for bankruptcy, the Company retained Houlihan Lokey to perform a valuation of the Company. Houlihan’s preliminary valuation suggests that as of November 10, 2018, there is material value in the Company’s equity in excess of its debt.

6. Should I sell my shares?

- The Company cannot provide investment advice. You may wish to consult your broker or professional financial advisor to discuss what's right for you and your portfolio.

7. How are shareholders represented in the reorganizations?

- Both the Bankruptcy Code and the Bankruptcy Court ensure that the interests of all parties, including shareholders, are taken into account during the chapter 11 cases. Unlike unsecured creditors, shareholders are not automatically entitled to formal representation upon the commencement of a chapter 11 case.

8. Are there any steps or legal filings I need to make as a shareholder to maintain my interest in AOG?

- Unfortunately, we cannot provide investment or legal advice. You may wish to consult your broker, professional financial advisor, or legal counsel to discuss what's right for you.

9. Where do I get more information?

- Additional information about the case, including legal filings and claims information can be found at this case information website: www.bmcgroup.com/AAOG. The Company has also established a toll-free information line at 855-332-3407. UK based shareholders can dial +44-20-80898076.