

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
FORM 10-K

ANNUAL REPORT UNDER SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended April 30, 2012

Commission File Number 000-52522

NORTH AMERICAN ENERGY RESOURCES, INC.  
(Exact name of registrant as specified in its charter)

Nevada 98-0550352

(State or Other Jurisdiction (IRS Employer  
of Incorporation or Organization) Identification No.)

1535 Soniat St., New Orleans, LA 70115

(Address of Principal Executive Office) (Zip Code)

228 Saint Charles Ave., Suite 724, New Orleans, LA 70130

(Former Address of Principal Executive Office) (Zip Code)

Issuer's telephone number (504) 561-1151

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act: COMMON STOCK, \$0.001 PAR VALUE  
(Title of each class)

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [ X ]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. Yes [ ] No [ X ]

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [ X ] No [ ]

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [ ] No [ ]

Indicate by check mark if disclosure of delinquent filers in response to Item 405 of Regulation S-K is not contained here-in, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. (Check one)

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [ ] Smaller reporting company [ X ]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [ X ]

The aggregate market value of the shares of our common stock, par value \$0.001, held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter. \$1,670,613.

As of June 15, 2012, the registrant had outstanding 21,554,945 shares of its common stock, par value of \$0.001.

DOCUMENTS INCORPORATED BY REFERENCE

No documents are incorporated by reference into this Report except those Exhibits so incorporated as set forth in the Exhibit index.

NORTH AMERICAN ENERGY RESOURCES, INC.

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From time to time, we may publish forward-looking statements relative to such matters as anticipated financial results, business prospects, technological developments and similar matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. The following discussion and analysis should be read in conjunction with the report on the Consolidated Financial Statements and the accompanying Notes to Consolidated Financial Statements appearing later in this report. All statements other than statements of historical fact included in this Annual Report on Form 10-K are, or may be deemed to be, forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. Important factors that could cause actual results to differ materially from those discussed in such forward-looking statements include, but are not limited to, the following: our current liquidity needs, as described in our periodic reports; changes in the economy; our inability to raise additional capital; our involvement in potential litigation; volatility of our stock price; the variability and timing of business opportunities; changes in accounting policies and practices; the effect of internal organizational changes; adverse state and federal regulation and legislation; and the occurrence of extraordinary or catastrophic events and terrorist acts. These factors and others involve certain risks and uncertainties that could cause actual results or events to differ materially from management's views and expectations. Inclusion of any information or statement in this report does not necessarily imply that such information or statement is material. We do not undertake any obligation to release publicly revised or updated forward-looking information, and such information included in this report is based on information currently available and may not be reliable after this date.

## **PART I**

### **ITEM 1: BUSINESS**

#### **ORGANIZATION**

North American Energy Resources, Inc. ("NAEY" or the "Company") was originally organized in Nevada on August 22, 2006 with the name Mar Ked Mineral Exploration, Inc. ("Mar Ked"). The Company changed its name from Mar Ked to North American Energy Resources, Inc. on August 11, 2008.

NAEY is an independent oil and natural gas company engaged in the acquisition, exploration and development of oil and natural gas properties and the production of oil and natural gas. The Company operates in the upstream segment of the oil and gas industry which includes the drilling, completion and operation of oil and gas wells. The Company has an interest in a pipeline in Washington County, Oklahoma which is currently shut-in, but has been used to gather natural gas production. The Company's gas production in Washington County, Oklahoma was shut-in due to low prices in February 2009 and was sold effective October 1, 2010 along with the Company's oil production in the area. The Company has acquired an interest in a non-operated gas well in Texas County, Oklahoma and is continuing to seek additional acquisition possibilities. The Company's focus is on acquiring producing oil and gas properties or companies with development potential.

At a special meeting of shareholders held on April 23, 2009, 63% of our shareholders, either in person or by proxy, voted to approve a 1:50 reverse split of the Company's common stock. This amendment to the Company's Articles of Incorporation was filed with the Nevada Secretary of State and became effective on April 27, 2009. Accordingly, all references to shares of our common stock included herein have been retroactively restated to give effect to the reverse split.

On July 28, 2008, the Company acquired 100% of the outstanding stock of North American Exploration, Inc. ("NAE") (formerly Signature Energy, Inc.) for 420,000 shares of our common stock pursuant to a Stock Purchase Agreement ("SPA"). Completion of the SPA resulted in the shareholders of NAE having control of NAEY. Accordingly, the transaction was recorded for accounting purposes as the acquisition of NAE by NAEY with NAE as the acquirer (reverse acquisition). The financial statements of the Company prior to July 28, 2008 are those of NAE. Formerly NAEY used a November 30 year-end. As a result of the reverse acquisition, the Company chose to utilize the April 30 year-end of NAE after April 30, 2008.

NAE was organized in Nevada on August 18, 2006 as Signature Energy, Inc. and changed its name to North American Exploration, Inc. on June 2, 2008.

The SPA provided that NAEY was to have \$1,500,000 in cash and no liabilities at closing. At July 31, 2008, NAEY had \$150,000 of the required cash and on August 28, 2008, the parties to the SPA entered into a Modification Agreement ("MA") which provided an extension until January 27, 2009 for the additional cash to be contributed to the Company. At January 27, 2009, the Company had received an additional \$50,000 and was still short \$1,300,000 of the amount agreed. The MA provided that the Buyer would make contingent issuances of shares to the Seller equal to 95% of all the outstanding stock after issuance. Accordingly, effective April 30, 2009, an additional 13,250,381 shares were issued to the Sellers. The total purchase price for NAE was 13,690,381 shares.

Mar Ked was originally formed to acquire and explore mineral claims, principally in the Yukon Territory, Canada. All activity relating to mining activity was abandoned when NAE was acquired.

### **Glossary of Oil and Natural Gas Terms**

The definitions set forth below apply to the indicated terms as used in this report. All volumes of natural gas referred to herein are stated at the legal pressure base of the state or area where the reserves exist and at 60 degrees Fahrenheit and in most instances are rounded to the nearest major multiple.

*Bbl.* One stock tank barrel, or 42 U.S. gallons liquid volume, used herein in reference to crude oil or other liquid hydrocarbons.

*Bcf.* One billion cubic feet of natural gas.

*Boe.* Barrels of oil equivalent in which six Mcf of natural gas equals one Bbl of oil.

*Btu.* British thermal unit, which is the heat required to raise the temperature of a one-pound mass of water from 58.5 to 59.5 degrees Fahrenheit.

*Completion.* The installation of permanent equipment for the production of oil or natural gas or, in the case of a dry hole, the reporting of abandonment to the appropriate agency.

*Development well.* A well drilled within the proved areas of an oil or natural gas reservoir to the depth of a stratigraphic horizon known to be productive.

*Dry hole or well.* A well found to be incapable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production exceed production expenses and taxes.

*Exploratory well.* A well drilled to find a new field or to find a new reservoir in a field previously found to be productive of oil or natural gas in another reservoir.

*Field.* An area consisting of a single reservoir or multiple reservoirs all grouped on or related to the same individual geological structural feature and/or stratigraphic condition.

*Gross acres or gross wells.* The total acres or wells, as the case may be, in which a working interest is owned.

*MBbls.* One thousand barrels of crude oil or other liquid hydrocarbons.

*MBoe.* One thousand Boe.

*MMBoe.* One million Boe.

*Mcf.* One thousand cubic feet of natural gas.

*MMBbls.* One million barrels of crude oil or other liquid hydrocarbons.

*MMBtu.* One million Btus.

*MMcf.* One million cubic feet of natural gas.

*Net acres or net wells.* The sum of the fractional working interests owned in gross acres or gross wells, as the case may be.

*Operator.* The individual or company responsible for the exploration, exploitation and production of an oil or natural gas well or lease.

*PV-10 Value.* When used with respect to oil and natural gas reserves, the estimated future gross revenues to be generated from the production of proved reserves, net of estimated production and future development costs, using the guidelines provided by the SEC with prices provided in this report and costs applicable as of the date indicated, without giving effect to non-property related expenses such as general and administrative expenses, debt service and future income tax expenses or to depreciation, depletion and amortization, discounted using an annual discount rate of 10%.

*Productive well.* A well that is found to be capable of producing hydrocarbons in sufficient quantities such that proceeds from the sale of such production exceed production expenses and taxes.

*Proved developed producing reserves.* ("PDP") Proved developed reserves that are expected to be recovered from completion intervals currently open in existing wells and capable of production.

*Proved developed non producing reserves.* ("PDNP") Proved reserves that are expected to be recovered from existing wellbores, whether or not currently producing, without drilling additional wells. Production of such reserves may require a recompletion.

*Proved reserves.* Those quantities of oil and natural gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible—from a given date forward, from known reservoirs, and under existing economic conditions, operating methods, and government regulations—prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for estimation.

*Proved undeveloped location.* A site on which a development well can be drilled consistent with spacing rules for purposes of recovering proved undeveloped reserves.

*Proved undeveloped reserves.* ("PUD") Proved reserves that are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required.

*Recompletion.* The completion for production of an existing wellbore in another formation from that in which the well has been previously completed.

*Reserve life.* A ratio determined by dividing our estimated existing reserves determined as of the stated measurement date by production from such reserves for the prior twelve month period.

*Reservoir.* A porous and permeable underground formation containing a natural accumulation of producible oil and/or natural gas that is confined by impermeable rock or water barriers and is individual and separate from other reservoirs.

*3-D seismic.* The method by which a three dimensional image of the earth's subsurface is created through the interpretation of reflection seismic data collected over a surface grid. 3-D seismic surveys allow for a more detailed understanding of the subsurface than do conventional surveys and contribute significantly to field appraisal, exploitation and production.

*Undeveloped acreage.* Lease acreage on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas regardless of whether such acreage contains proved reserves.

*Working interest.* The operating interest that gives the owner the right to drill, produce and conduct operating activities on the property and a share of production.

*Workover.* Operations on a producing well to restore or increase production.

## **OIL AND GAS DRILLING PROSPECTS**

NAE is an independent oil and natural gas company engaged in the acquisition, exploration and development of oil and natural gas properties and the production of oil and natural gas. The Company operates in the upstream segment of the oil and gas industry which includes the drilling, completion and operation of oil and gas wells. The Company has an interest in a pipeline in Washington County, Oklahoma which is currently shut-in, but has been used to gather natural gas production. The Company's gas production in Washington County, Oklahoma was shut-in due to low prices in February 2009 and was sold effective October 1, 2010 along with the Company's oil production in the area. The Company has acquired an interest in a non-operated gas well in Texas County, Oklahoma and is continuing to seek additional acquisition possibilities.

## **DEVELOPMENT STAGE COMPANY**

We are considered a development stage company because we have had limited resources and do not currently have sufficient capital to complete our business plan, which includes acquiring and operating producing properties with development potential. Accordingly, the operations of the Companies are presented as those of a development stage enterprise, from inception (August 18, 2006).

## **OTHER**

Our principal executive office is located at 1535 Soniat St. New Orleans, La 70115 and our telephone number is (504) 561-1151.

## **FINANCIAL POSITION AND FUTURE FINANCING NEEDS**

We are a development stage company. We have a limited history in the oil and gas development and production business.

We have not established sources of revenues sufficient to fund the development of business, projected operating expenses and commitments for our fiscal year ending April 30, 2012. We have been in the development stage since our inception, August 18, 2006, have accumulated a net loss of \$3,628,467 through April 30, 2012, and incurred a loss of \$655,449 for the year then ended.

The Company's strategy to raise additional funds include: sales of its common stock or preferred stock in private transactions, sales of its common or preferred stock in public transactions or to borrow the funds. Any such potential transactions would be as needed to raise sufficient capital to fund acquisitions and the development of business, projected operating expenses and commitments. However, there can be no assurance that we will be able to obtain sufficient funding to develop our current business plan.

## **COMPETITION**

The Company expects to concentrate the majority of its resources on oil and gas development and production. The Company is much smaller than most participants in this industry and has now retained individuals with expertise in operating an energy business and performing the steps necessary to complete its business plan.

## **GOVERNMENTAL REGULATIONS, APPROVAL, COMPLIANCE**

When we elect to participate directly in development of oil and gas properties, our operations are subject to various types of regulation at the federal, state and local levels. Such regulations includes requiring permits for the drilling of wells; maintaining bonding requirements in order to drill or operate wells; implementing spill prevention plans; submitting notification and receiving permits relating to the presence, use and release of certain materials incidental to oil and gas operations; and regulating the location of wells, the method of drilling and casing wells, the use, transportation, storage and disposal of fluids and materials used in connection with drilling and production activities, surface usage and the restoration of properties upon which wells have been drilled, the plugging and abandoning of wells and the transporting of production. Our operations will also be subject to various conservation matters, including the regulation of the size of drilling and spacing units or pro-ration units, the number of wells which may be drilled in a unit, and the unitization or pooling of oil and gas properties. In this regard, some states allow the forced pooling or integration of tracts to facilitate exploration while other states rely on voluntary pooling of lands and leases, which may make it more difficult to develop oil and gas properties. In addition, state conservation laws establish maximum rates of production from oil and gas wells, generally limit the venting or flaring of gas, and impose certain requirements regarding the ratable purchase of production. The effect of these regulations is to limit the amounts of oil and gas we may be able to produce from our wells and to limit the number of wells or the locations at which we may be able to drill.

Our business is affected by numerous laws and regulations, including energy, environmental, conservation, tax and other laws and regulations relating to the oil and gas industry. We plan to develop internal procedures and policies to ensure that our operations are conducted in full and substantial environmental regulatory compliance.

Failure to comply with any laws and regulations may result in the assessment of administrative, civil and criminal penalties, the imposition of injunctive relief or both. Moreover, changes in any of these laws and regulations could have a material adverse effect on business. In view of the many uncertainties with respect to current and future laws and regulations, including their applicability to us, we cannot predict the overall effect of such laws and regulations on our future operations.

We believe that our operations comply in all material respects with applicable laws and regulations and that the existence and enforcement of such laws and regulations have no more restrictive an effect on our operations than on other similar companies in the energy industry. We do not anticipate any material capital expenditures to comply with federal and state environmental requirements.

#### ENVIRONMENTAL

Operations on properties in which we have an interest are subject to extensive federal, state and local environmental laws that regulate the discharge or disposal of materials or substances into the environment and otherwise are intended to protect the environment. Numerous governmental agencies issue rules and regulations to implement and enforce such laws, which are often difficult and costly to comply with and which carry substantial administrative, civil and criminal penalties and in some cases injunctive relief for failure to comply.

Some laws, rules and regulations relating to the protection of the environment may, in certain circumstances, impose "strict liability" for environmental contamination. These laws render a person or company liable for environmental and natural resource damages, cleanup costs and, in the case of oil spills in certain states, consequential damages without regard to negligence or fault. Other laws, rules and regulations may require the rate of oil and gas production to be below the economically optimal rate or may even prohibit exploration or production activities in environmentally sensitive areas. In addition, state laws often require some form of remedial action, such as closure of inactive pits and plugging of abandoned wells, to prevent pollution from former or suspended operations.

Legislation has been proposed in the past and continues to be evaluated in Congress from time to time that would reclassify certain oil and gas exploration and production wastes as "hazardous wastes." This reclassification would make these wastes subject to much more stringent storage, treatment, disposal and clean-up requirements, which could have a significant adverse impact on operating costs. Initiatives to further regulate the disposal of oil and gas wastes are also proposed in certain states from time to time and may include initiatives at the county, municipal and local government levels. These various initiatives could have a similar adverse impact on operating costs.

The regulatory burden of environmental laws and regulations increases our cost and risk of doing business and consequently affects our profitability. The federal Comprehensive Environmental Response, Compensation and Liability Act, or CERCLA, also known as the "Superfund" law, imposes liability, without regard to fault, on certain classes of persons with respect to the release of a "hazardous substance" into the environment. These persons include the current or prior owner or operator of the disposal site or sites where the release occurred and companies that transported, disposed or arranged for the transport or disposal of the hazardous substances found at the site. Persons who are or were responsible for releases of hazardous substances under CERCLA may be subject to joint and several liability for the costs of cleaning up the hazardous substances that have been released into the environment and for damages to natural resources, and it is not uncommon for the federal or state government to pursue such claims.

It is also not uncommon for neighboring landowners and other third parties to file claims for personal injury or property or natural resource damages allegedly caused by the hazardous substances released into the environment. Under CERCLA, certain oil and gas materials and products are, by definition, excluded from the term "hazardous substances." At least two federal courts have held that certain wastes associated with the production of crude oil may be classified as hazardous substances under CERCLA. Similarly, under the federal Resource, Conservation and Recovery Act, or RCRA, which governs the generation, treatment, storage and disposal of "solid wastes" and "hazardous wastes," certain oil and gas materials and wastes are exempt from the definition of "hazardous wastes." This exemption continues to be subject to judicial interpretation and increasingly stringent state interpretation. During the normal course of operations on properties in which we have an interest, exempt and non-exempt wastes, including hazardous wastes, that are subject to RCRA and comparable state statutes and implementing regulations are generated or have been generated in the past. The federal Environmental Protection Agency and various state agencies continue to promulgate regulations that limit the disposal and permitting options for certain hazardous and non-hazardous wastes.

We plan to establish guidelines and management systems to ensure compliance with environmental laws, rules and regulations if we participate directly in the development of oil and gas resources. The existence of these controls cannot, however, guarantee total compliance with environmental laws, rules and regulations. We will rely on the operator of the properties in which we have an interest to be in substantial compliance with applicable laws, rules and regulations relating to the control of air emissions at all facilities on those properties. Although we plan to maintain insurance against some, but not all, of the risks described above, including insuring the costs of clean-up operations, public liability and physical damage, there is no assurance that our insurance will be adequate to cover all such costs, that the insurance will continue to be available in the future or that the insurance will be available at premium levels that justify our purchase. The occurrence of a significant event not fully insured or indemnified against could have a material adverse effect on our financial condition and operations. Compliance with environmental requirements, including financial assurance requirements and the costs associated with the cleanup of any spill, could have a material adverse effect on our capital expenditures, earnings or competitive position. We do believe, however, that our operators are in substantial compliance with current applicable environmental laws and regulations. Nevertheless, changes in environmental laws have the potential to adversely affect operations. At this time, we have no plans to make any material capital expenditures for environmental control facilities.

#### **EMPLOYEES**

Unless an acquisition is completed, it is anticipated that the only active employees of this business in the near future will be its Chief Executive Officer and its President and Chief Financial Officer. All other operative functions, such as acquiring leaseholds, creating joint ventures and development and production of oil and gas will be handled by the Chief Executive Officer and its President and Chief Financial Officer or independent contractors and consultants.

#### **ITEM 1A: RISK FACTORS**

Not applicable.

#### **ITEM 2: PROPERTIES**

The Company's oil and gas business is primarily involved in the development and production of oil and gas. As of April 30, 2012, we have 160 acres under lease in Texas County, Oklahoma which includes 1 producing gas well. The Company's current focus is to identify, evaluate, and obtain financing to potentially acquire producing oil and gas properties with development potential.

#### **Proved Reserves and Estimated Future Net Revenue**

The following table sets forth our estimated proved reserves and the related estimated pre-tax future net revenues, pre-tax 10% present value and after-tax standardized measure of discounted future net cash flows as of April 30, 2012. These estimates correspond with the method used in presenting the "Supplemental Information on Oil and Gas Operations" in Note 10 to our consolidated financial statements included herein. At April 30, 2012, 100% of the proved reserves have been classified as proved developed producing ("PDP"). There are no proved developed non-producing ("PDNP") reserves.



	<u>Total Proved Reserves</u>	<u>Proved Developed Reserves</u>	<u>Proved Undeveloped Reserves</u>
<b>Total Reserves</b>			
Oil (BBLs)	-	-	-
Gas (MCF)	12,679	12,679	-
BOE (1)	2,113	2,113	-
Pre-tax future net revenue (2)	\$ 9,021	\$ 9,021	\$ -
Pre-tax 10% present value (2)	4,671	4,671	-
Standardized measure of discounted future net cash flows (2)(3)	\$ 4,671	\$ 4,671	\$ -

- (1) Gas reserves are converted to barrels of oil equivalent ("BOE") at the rate of six MCF per BBL of oil, based upon the approximate relative energy content of natural gas and oil, which rate is not necessarily indicative of the relationship of gas and oil prices.
- (2) Estimated pre-tax future net revenue represents estimated future revenue to be generated from the production of proved reserves, net of estimated production and development costs and site restoration and abandonment charges. The amounts shown do not give effect to depreciation, depletion and amortization, or to non-property related expenses such as debt service and income tax expense.
- (3) See Note 11 to the consolidated financial statements included in Item 8.

No estimates of our proved reserves have previously been filed with or included in reports to any federal governmental authority or agency except for our Form 10-K for the years ended April 30, 2011, 2010 and 2009.

The prices used in calculating the estimated future net revenues attributable to proved reserves do not necessarily reflect market prices for oil and gas production subsequent to April 30, 2012. There can be no assurance that all of the proved reserves will be produced and sold within the periods indicated, that the assumed prices will be realized or that existing contracts will be honored or judicially enforced.

#### **Proved Reserves Disclosures**

*Recent SEC Rule-Making Activity.* In December 2008, the SEC announced that it had approved revisions to modernize the oil and gas reserve reporting disclosures. The new disclosure requirements include provisions that:

- Introduce a new definition of oil and gas producing activities. This new definition allows companies to include in their reserve base volumes from unconventional resources. Such unconventional reserves include bitumen extracted from oil sands and oil and gas extracted from coal beds and shale formations.
- Report oil and gas reserves using an un-weighted average price using the prior 12-month period, based on the closing prices on the first day of each month, rather than year-end prices.
- Permit companies to disclose their probable and possible reserves on a voluntary basis. In the past, proved reserves were the only reserves allowed in the disclosures. (We have chosen not to make disclosure under these categories.)
- Requires companies to provide additional disclosure regarding the aging of proved undeveloped reserves.
- Permit the use of reliable technologies to determine proved reserves if those technologies have been demonstrated empirically to lead to reliable conclusions about reserve volumes.
- Replace the existing "certainty" test for areas beyond one offsetting drilling unit from a productive well with a "reasonable certainty" test.
- Require additional disclosures regarding the qualifications of the chief technical person who oversees the company's overall reserve estimation process. Additionally, disclosures regarding internal controls over reserve estimation, as well as a report addressing the independence and qualifications of its reserves preparer or auditor will be mandatory.

We adopted the rules effective April 30, 2010.

*Internal Controls Over Reserve Estimates.* Our reserve estimates were prepared by an independent petroleum consulting firm who was engaged to audit our reserves as of May 1, 2011. We updated our reserves at May 1, 2012 using the new pricing guidelines required by the SEC and the same decline curve utilized by the independent petroleum consulting firm at May 1, 2011.

**Production**

We acquired an interest in a non-operated gas well in Texas County, Oklahoma on November 1, 2010 and it represents our current production.

**Project Summary**

The Company acquired an interest in a non-operated gas well and continues to evaluate other investment opportunities.

**Acreage**

The following table summarizes gross and net developed acreage at April 30, 2012 and 2011.

	Developed Acreage	
	<u>Gross</u>	<u>Net</u>
Texas County, Oklahoma	160	12

**Production History**

The following table presents the historical information about our natural gas and oil production volumes.

	Year ended April 30,	
	<u>2012</u>	<u>2011</u>
Oil production (BBLs)	-	64
Gas production (MCF)	751	291
Total production (BOE)	125	112
Daily production (BOE/d)	0.34	0.31
Average sales price:		
Oil (per BBL)	\$ -	\$ 63.52
Gas (per MCF)	\$ 2.79	\$ 2.87
Total (per BOE)	\$ 16.74	\$ 43.56
Average production cost (per BOE)	\$ 8.57	\$ 78.62
Average production taxes (per BOE)	\$ 1.21	\$ 3.12

The average oil sales price amounts above are calculated by dividing revenue from oil sales by the volume of oil sold in BBLs. The average gas price amounts above are calculated by dividing revenue from gas sales by the volume of gas sold in MCF. The total average sales price amounts above are calculated by dividing total revenues by total volume sold in BOE. The average production costs and average production taxes above are calculated by dividing production costs by total production in BOE.

**Productive wells**

The following table presents our ownership at April 30, 2012 and 2011, in oil and natural gas wells (a net well is our percentage ownership of a gross well).

Year		Oil wells		Gas wells		Total wells	
		<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>	<u>Gross</u>	<u>Net</u>
2012	Oklahoma	-	-	1.0	0.1	1.0	0.1
2011	Oklahoma	-	-	1.0	0.1	1.0	0.1

**Drilling Activities**

We did not participate in any drilling activities during 2012 or 2011.

**Cost information**

We conduct our oil and natural gas activities entirely in the United States and to date only in Oklahoma. Costs incurred for property acquisition, exploration and development activities during the years ended April 30, 2012 and 2011 are shown below.

	For the years ended April 30,	
	<u>2012</u>	<u>2011</u>
Acquisition of proved properties	\$ -	\$ 2,000
Acquisition on non-producing properties	-	-
Development costs	-	2,893
Total costs incurred	<u>\$ -</u>	<u>\$ 4,893</u>

### Reserve Quantity Information

Our estimates of proved reserves and valuation were prepared by an independent petroleum consultant, Christopher Energy in 2011. Those estimates were updated internally in 2012 by updating the oil and gas prices. The estimates of proved reserves are inherently imprecise and continually subject to revision based on production history, results of additional exploration and development, price changes and other factors. Our oil and natural gas reserves are attributed solely to properties within the United States. A summary of the changes in quantities of proved developed oil and natural gas reserves is shown below.

	<u>Oil (BBLs)</u>	<u>Natural Gas (MCF)</u>
Balance, April 30, 2010	2,250	-
Acquisition of minerals in place	-	13,611
Sales of properties	(2,186)	-
Production	(64)	(291)
Revisions of estimates	-	-
Balance, April 30, 2011	-	13,320
Production	-	(751)
Revisions of estimates	-	110
Balance, April 30, 2012	-	12,679

### Standardized Measure of Discounted Future Net Cash Flows

Our standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves and changes in the standardized measure as described below were prepared in accordance with generally accepted accounting principles.

Future income tax expenses are calculated by applying appropriate year-end tax rates to future pre-tax net cash flows relating to proved oil and natural gas reserves, less the tax basis of properties involved. Future income tax expenses give effect to permanent differences, tax credits and loss carryforwards relating to the proved oil and natural gas reserves. Future net cash flows are discounted at a rate of 10% annually to derive the standardized measure of discounted future net cash flows. This calculation procedure does not necessarily result in an estimate of the fair market value or the present value of our oil and natural gas properties. Future income tax expenses were not included due to the Company's net operating loss carryforwards.

The standardized measure of discounted future net cash flows relating to the proved oil and natural gas reserves are shown below.

	For the years ended April 30,	
	<u>2012</u>	<u>2011</u>
Future cash flows	\$ 35,375	\$ 39,580
Future production costs	(26,354)	(28,840)
Future income taxes	-	-
Future net cash flows	9,021	10,740
10% annual discount for estimated timing of cash flows	(4,350)	(5,050)
Standardized Measure of Discounted Cash Flows	\$ 4,671	\$ 5,690

The changes in the standardized measure of discounted future net cash flows relating to the proved oil and natural gas reserves are shown below.

	For the years ended April 30,	
	<u>2012</u>	<u>2011</u>
Beginning of year	\$ 5,690	\$ 52,250
Purchase of minerals in place	-	2,000
Sale of properties	-	(15,000)
Development costs incurred during the year	-	2,893
Sales of oil and gas produced, net of production costs	(991)	4,284
Impairments	-	(46,894)
Net changes in price and production costs	(28)	6,157
Revision of previous quantity estimates	-	-
End of year	<u>\$ 4,671</u>	<u>\$ 5,690</u>

#### **Management's Business Strategy Related to Properties**

Our goal is to focus on acquiring oil properties with existing production and upside drilling and re-development potential, initially primarily in the Gulf Coast area.

#### **Title to Properties**

Title to properties is subject to contractual arrangements customary in the oil and gas industry, liens for current taxes not yet due and, in some instances, other encumbrances. We believe that such burdens do not materially detract from the value of such properties or from the respective interests therein or materially interfere with their use in the operation of the business.

As is customary in the industry, other than a preliminary review of local records, little investigation of record title is made at the time of acquisitions of undeveloped properties. Investigations, which generally include a title opinion of outside counsel, are made prior to the consummation of an acquisition of producing properties and before commencement of drilling operations on undeveloped properties.

#### **IMPAIRMENTS**

In 2011, the Company recorded an impairment of \$46,894 on its properties in Washington County, Oklahoma to adjust the carrying value to the proceeds received on sale of the properties.

#### **OTHER**

The Company's corporate office is maintained at 1535 Soniat St., New Orleans, LA 70115 on a month-to-month basis at a cost of \$2,000 per month until May 31, 2012 and \$250 per month thereafter.

#### **ITEM 3: LEGAL PROCEEDINGS**

There are no pending or threatened lawsuits against us.

#### **ITEM 4: REMOVED AND RESERVED**

## PART II

### ITEM 5: MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

#### (a) MARKET INFORMATION

Our \$0.001 par value per share common stock is traded in the over-the-counter market and is quoted on the OTCQB under the symbol "NAEY." Until we began trading on July 24, 2007, there was no public market for our common stock. Previously we traded under the symbol NAEN.

The following table sets forth the quarterly high and low daily close for our common stock as reported by the OTCQB for the two years ended April 30, 2012 and 2011. The bids reflect inter dealer prices without adjustments for retail mark-ups, mark-downs or commissions and may not represent actual transactions.

<u>Period (Quarter ended)</u>	<u>High</u>	<u>Low</u>
<u>2012</u>		
April 30, 2012	\$0.10	\$0.04
January 31, 2012	\$0.20	\$0.04
October 31, 2011	\$0.10	\$0.03
July 31, 2011	\$0.08	\$0.04
<u>2011</u>		
April 30, 2011	\$0.12	\$0.05
January 31, 2011	\$0.12	\$0.01
October 31, 2010	\$0.04	\$0.01
July 31, 2010	\$0.04	\$0.02

The OTCQB is the middle tier of the OTC market. OTCQB companies report to the SEC, making it easy for investors to identify companies that are current in their reporting obligations. There are no financial or qualitative standards to be in this tier. OTCQB securities may also be quoted on the FINRA.BB. The OTCQB allows investors to easily identify reporting companies traded in the OTC market regardless of where they are quoted.

#### PENNY STOCK CONSIDERATIONS

Our shares will be "penny stocks" as that term is generally defined in the Securities Exchange Act of 1934 to mean equity securities with a price of less than \$5.00. Our shares thus will be subject to rules that impose sales practice and disclosure requirements on broker-dealers who engage in certain transactions involving a penny stock.

(1) **In general.** No broker or dealer shall make use of the mails or any means or instrumentality of interstate commerce to effect any transaction in, or to induce or attempt to induce the purchase or sale of, any penny stock by any customer except in accordance with the requirements below.

(2) **Risk disclosure with respect to penny stocks.** Prior to effecting any transaction in any penny stock, a broker or dealer shall give the customer a risk disclosure document that -

- a) contains a description of the nature and level of risk in the market for penny stocks in both public offerings and secondary trading;
- b) contains a description of the broker's or dealer's duties to the customer and of the rights and remedies available to the customer with respect to violations of such duties or other requirements of Federal securities laws;
- c) contains a brief, clear, narrative description of a dealer market, including "bid" and "ask" prices for penny stocks and the significance of the spread between the bid and ask prices;
- d) contains the established toll free telephone number for inquiries on disciplinary actions;
- e) defines significant terms used in the disclosure document or in the conduct of trading in penny stocks; and
- f) contains such other information, and is in such form (including language, type size, and format), as the Commission shall require by rule or regulation.

(3) **Commission rules relating to disclosure.** The Commission shall adopt rules setting forth additional standards for the disclosure by brokers and dealers to customers of information concerning transactions in penny stocks. Such rules -

- a) shall require brokers and dealers to disclose to each customer, prior to effecting any transaction in, and at the time of confirming any transaction with respect to any penny stock, in accordance with such procedures and methods as the Commission may require consistent with the public interest and the protection of investors -
    - i. the bid and ask prices for penny stock, or such other information as the Commission may, by rule, require to provide customers with more useful and reliable information relating to the price of such stock;
    - ii. the number of shares to which such bid and ask prices apply, or other comparable information relating to the depth and liquidity of the market for such stock; and
    - iii. the amount and a description of any compensation that the broker or dealer and the associated person thereof will receive or has received in connection with such transaction;
  - b) shall require brokers and dealers to provide, to each customer whose account with the broker or dealer contains penny stocks, a monthly statement indicating the market value of the penny stocks in that account or indicating that the market value of such stock cannot be determined because of the unavailability of firm quotes; and
  - c) may, as the Commission finds necessary or appropriate in the public interest or for the protection of investors, require brokers and dealers to disclose to customers additional information concerning transactions in penny stocks.
- (4) **Exemptions.** The Commission, as it determines consistent with the public interest and the protection of investors, may by rule, regulation, or order exempt in whole or in part, conditionally or unconditionally, any person or class of persons, or any transaction or class of transactions, from the requirements of this subsection. Such exemptions shall include an exemption for brokers and dealers based on the minimal percentage of the broker's or dealer's commissions, commission-equivalents, and markups received from transactions in penny stocks.
- (5) **Regulations.** It shall be unlawful for any person to violate such rules and regulations as the Commission shall prescribe in the public interest or for the protection of investors or to maintain fair and orderly markets -
- a) as necessary or appropriate to carry out these requirements; or
  - b) as reasonably designed to prevent fraudulent, deceptive, or manipulative acts and practices with respect to penny stocks.

#### RECENT SALES OF UNREGISTERED SECURITIES

There were no sales of our common stock during the quarter ended April 30, 2012.

#### (b) HOLDERS

There are 38 shareholders of record of the Company's common stock at April 30, 2012.

#### (c) DIVIDENDS

The Company has not paid dividends to date and has no plans to do so in the foreseeable future.

#### (d) SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table summarizes certain information as of April 30, 2012, with respect to compensation plans (including individual compensation arrangements) under which our common stock is authorized for issuance:

<u>Plan category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance</u>
Equity compensation plans approved by security holders:			
2008 Plan	-		1,242,333
	-		1,242,333

The North American Energy Resources, Inc. 2008 Stock Option Plan ("Plan") was filed on September 11, 2008 and reserves 2,500,000 shares for Awards under the Plan. The Company's Board of Directors is designated to administer the Plan and may designate a Compensation Committee for this purpose. There are no options outstanding at April 30, 2012 and 2011.

#### WARRANTS

As a part of their initial compensation, on December 15, 2010, the new Executive Team was granted Warrants with the following primary terms and conditions. The strike price exceeded the market price when the Warrants were granted.

a) Each Warrant shall entitle the owner to purchase one share of common stock of the Company. The warrants contain price protection when the shares will be used for an acquisition at a price lower than the conversion price in force. The anti dilution provision will not apply to financings done below the strike price.

b) The Executive Team was granted three Warrant Certificates as follows:

1. Certificate #1 for 10,000,000 warrants with a strike price of \$0.025 per share must be exercised within one year of the date Executive Team begins collecting salaries from the Company,
2. Certificate #2 for 10,000,000 warrants with a strike price of \$0.04 per share and a Term of 5 years from the vesting date, and
3. Certificate #3 for 10,000,000 warrants with a strike price of \$0.055 per share and a Term of 5 years from the vesting date.

c) Other warrant terms are as follows:

1. Certificate #1 vests immediately, Certificate #2 shall vest upon execution of Certificate #1 and Certificate #3 shall vest upon execution of Certificate #1.
2. All Warrants may vest early if the Company has revenue of \$12,500,000 total for two consecutive quarters and records a pre-tax net profit for the two quarters and other conditions including change in control, termination, etc.
3. The Warrant Certificates may be allocated among the Executive Team as they so determine.
4. The Warrants shall be registered in the first registration statement the Company files, subject to legal counsel approval.

The Board of Directors issued a warrant to acquire 500,000 shares of the Company's common stock at \$0.18 per share to its new director, Larry D. Hall, on November 10, 2011. The strike price exceeded the market price when the warrants were granted.

#### ITEM 6: SELECTED FINANCIAL DATA

Not applicable.



**ITEM 7: MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

This statement contains forward-looking statements within the meaning of the Securities Act. Discussions containing such forward-looking statements may be found throughout this statement. Actual events or results may differ materially from those discussed in the forward-looking statements as a result of various factors, including, without limitation, the matters set forth in this statement.

Revenues for the years ended April 30, 2012 and 2011 consisted of the following.

	<u>2012</u>	<u>2011</u>
Oil sales	\$ -	\$ 4,044
Gas sales	2,094	835
	<u>\$ 2,094</u>	<u>\$ 4,879</u>

In 2012, the Company had gas sales of 751 MCF at an average price of \$2.79. In 2011, the Company had oil sales of 64 BBL at an average price of \$63.51 and gas sales of 291 MCF at an average price of \$2.87. The Company sold its oil production on October 1, 2010 due primarily to its high operating cost.

Costs and expenses consisted of the following for the years ended April 30, 2012 and 2011.

	<u>2012</u>	<u>2011</u>
Oil and natural gas production taxes	\$ 151	\$ 349
Oil and natural gas production expenses	993	8,814
Depreciation and amortization	130	1,530
Non-cash compensation	-	266,754
Asset impairment	-	46,894
General and administrative expenses, net of operator's overhead fees	652,759	105,873
	<u>\$ 654,033</u>	<u>\$ 430,214</u>

Production taxes are a percentage of revenue and vary directly with revenue. Production expenses have decreased due to the sale of the oil properties on October 1, 2010. For 2012 all production expenses were for gas properties. For 2011, \$8,415 of production expenses were for oil properties which were sold and \$399 was for the gas well acquired on November 1, 2010. Non-cash compensation primarily includes the cost of stock grants for consultants in 2011. The decrease in 2011 is related to hiring a new CEO and CFO in December 2010 who began working without pay until June 15, 2011, at which time they began accruing compensation until January 31, 2012 when all accruals were voluntarily discontinued.

Asset impairment amounted to \$46,894 in 2011, which represents the impairment on its properties in Washington County, Oklahoma to adjust the carrying value to the proceeds received on sale of the properties.

General and administrative expenses, net of operator's overhead fees, are summarized as follows for the two years ended April 30, 2012 and 2011.

	<u>2012</u>	<u>2011</u>
Accounting and auditing	\$ 20,345	\$ 36,630
Legal and professional	287,484	13,646
Rent	64,229	24,305
Bad debt expense	-	12,828
Office and other expenses	25,673	10,689
Travel expenses	43,885	5,890
Shareholder communications	2,393	4,885
Officer compensation	208,750	-
Operator overhead fees	-	(3,000)
	<u>\$ 652,759</u>	<u>\$ 105,873</u>

Accounting and auditing expense declined in 2012 primarily due to a reduction in activity with the sale of the properties in Washington County, Oklahoma which the Company had operated. Legal and professional fees increased in 2012 from the amount in 2011 primarily due to the costs associated with due diligence incurred for a possible acquisition. Rent was added in 2011 when the Company opened its new office in New Orleans (approximately 4 1/2 months) in 2011 and twelve months in 2012. The Company moved into less expensive space in the fourth quarter of 2012 and has a monthly cost of \$2,000 through May 2012. Travel expenses and office and other expenses increased in 2012 primarily due to the increased activity associated with reviewing acquisition candidates. Officer compensation began accruing on June 15, 2011 after the 6 month anniversary of the officers hire dates. The officers both agreed to discontinue their compensation accrual until conditions improve.

Other income (expense) consisted of the following for the years ended April 30, 2012 and 2011.

	<u>2012</u>	<u>2011</u>
Other income	\$ 9,619	\$ -
Interest expense - officers and stockholders	(13,129)	(37,057)
	<u>\$ (3,510)</u>	<u>\$ (37,057)</u>

The Company incurred interest expense in 2012 and 2011 with officers and shareholders. In December the full balance of convertible notes was converted into common stock. A new note in the amount of \$38,678 was added in January 2011. The CEO established a \$500,000 line of credit with the Company in November 2011, which has a balance of \$392,810 at April 30, 2012. The reduction in interest expense is due to the reduction in the weighted average balance of notes payable from 2011 to 2012.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Historical information**

At April 30, 2012, we had \$316 in cash, \$367 in accounts receivable and a working capital deficit of \$770,891. Comparatively, we had cash of \$716 and a working capital deficit of \$115,572 at April 30, 2011.

We entered into an Asset Purchase Agreement which expired in December 2011. The majority of our increased administrative cost during 2012 was a result of due diligence costs and preliminary financing costs associated with the attempted purchase.

### **Evaluation of the amounts and certainty of cash flows**

Our current cash flow is nominal and insufficient to pay current expenses. We continue to seek other acquisition possibilities, which will require new external financing in some form of debt and equity financing.

### **Cash requirements and capital expenditures**

We have made arrangement with our CEO to loan us up to \$500,000 to meet the initial operating expenses during the due diligence phase of a potential acquisition. At April 30, 2012, our CEO has loaned \$392,810 for this purpose. If a potential acquisition is identified additional capital may be required to be raised from as yet unidentified external sources in the form of equity or debt.

**Known trends and uncertainties**

The Company is in a very competitive business. The economy has been very uncertain over the past two to three years and may make it very difficult to raise the capital required to complete any asset purchase agreement.

**Expected changes in the mix and relative cost of capital resources**

The Company is now seeking another acquisition candidate. If identified, the initial phase for the Company will be due diligence and raising the purchase price for the acquisition. In order to take advantage of any undeveloped properties, the Company may require additional financing to continue development plans. The actual amounts required and the timing of the requirements has not been determined.

**What balance sheet, income or cash flow items should be considered in assessing liquidity**

The Company's current liabilities far exceed its current assets. Should any of the existing material creditors demand payment it is unknown if the Company could satisfy such demand. We will seek funding to finance such demand and due diligence and the cost of an as yet unidentified acquisition. Such funding may require significant new external financing and, if successful, may materially change the existing capital structure of the Company.

**Our prospective sources for and uses of cash**

Our current significant issue is identifying a new acquisition candidate, financing the due diligence and raising the funds to complete the acquisition. If successful, the Company expects to use a combination of debt and equity.

**CASH USED IN OPERATING ACTIVITIES**

Cash used in operating activities was \$357,721 for 2012 and cash used in operating activities was \$69,104 for the comparable 2011 period. Losses incurred arose primarily from due diligence costs and the initial cost of raising funds for the planned acquisition which expired in December 2011.

**CASH USED IN INVESTING ACTIVITIES**

We incurred capital costs of \$4,893 in the 2011 period and none in the 2012 period.

**CASH FROM FINANCING ACTIVITIES**

During 2012, we received \$392,810 in proceeds from the loan with our CEO. In 2011, we received \$17,500 in loans from shareholders. The 2011 loan was subsequently converted into common stock. The Company received \$54,187 in advances from related parties during 2011 and reduced these advances by \$35,489 in 2012.

**GOING CONCERN**

We have not attained profitable operations and are dependent upon obtaining substantial debt and equity financing to complete an acquisition, which we have not yet identified. For these reasons, there is substantial doubt we will be able to continue as a going concern, since we are dependent upon an as yet unknown source to provide sufficient funds to finance future operations until our revenues are adequate to fund our cost of operations. The financial statements do not include any adjustments that may result from the outcome of these uncertainties.

## NEW ACCOUNTING STANDARDS

There are several new accounting pronouncements issued by the Financial Accounting Standards Board (“FASB”) which are not yet effective. Each of these pronouncements, as applicable, has been or will be adopted by the Company. Management does not believe any of these accounting pronouncements has had or will have a material impact on the Company’s financial position or operating results. See Note 1 to the financial statements.

## CRITICAL ACCOUNTING POLICIES

Our discussion of financial condition and results of operations is based upon the information reported in our financial statements. The preparation of these statements requires us to make assumptions and estimates that affect the reported amounts of assets, liabilities, revenues and expenses as well as the disclosure of contingent assets and liabilities at the date of our financial statements. We base our assumptions and estimates on historical experience and other sources that we believe to be reasonable at the time. Actual results may vary from our estimates due to changes in circumstances, weather, politics, global economics, mechanical problems, general business conditions and other factors. Our significant accounting policies are detailed in Note 1 to our financial statements included in this Annual Report. We have outlined below certain of these policies as being of particular importance to the portrayal of our financial position and results of operations and which require the application of significant judgment by our management.

**REVENUE RECOGNITION** – We have derived our revenue primarily from the sale of produced crude oil and natural gas. Revenue is recorded in the month the product is delivered to the purchaser. We receive payment from one to three months after delivery. At the end of each month, we estimate the amount of production delivered to purchasers and the price we will receive. Variances between our estimated revenue and actual payment are recorded in the month the payment is received; however, the differences should be insignificant.

**FULL COST METHOD OF ACCOUNTING** – We account for our oil and natural gas operations using the full cost method of accounting. Under this method, all costs associated with property acquisition, exploration and development of oil and gas reserves are capitalized. Costs capitalized include acquisition costs, geological and geophysical expenditures, lease rentals on undeveloped properties and cost of drilling and equipping productive and non-productive wells. Drilling costs include directly related overhead costs. All of our properties are currently located within the continental United States.

**OIL AND NATURAL GAS RESERVE QUANTITIES** – Reserve quantities and the related estimates of future net cash flows affect our periodic calculations of depletion and impairment of our oil and natural gas properties. Proved oil and natural gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future periods from known reservoirs under existing economic and operating conditions. Reserve quantities and future cash flows included in this Annual Report are prepared in accordance with guidelines established by the SEC and FASB. The accuracy of our reserve estimates is a function of:

- The quality and quantity of available data;
- The interpretation of that data;
- The accuracy of various mandated economic assumptions; and
- The judgments of the person preparing the estimates.

Our proved reserve information included in this Annual Report is based on estimates prepared by an independent petroleum consultant, Christopher Energy. Because these estimates depend on many assumptions, all of which may differ substantially from actual results, reserve estimates may be different from the quantities of oil and natural gas that are ultimately recovered. We will make changes to depletion rates and impairment calculations in the same period that changes in reserve estimates are made.

All capitalized costs of oil and gas properties, including estimated future costs to develop proved reserves and estimated future costs of site restoration, are amortized on the unit-of-production method using our estimate of proved reserves. Investments in unproved properties and major development projects are not amortized until proved reserves associated with the projects can be determined.

**IMPAIRMENT OF OIL AND NATURAL GAS PROPERTIES** – We review the value of our oil and natural gas properties whenever management judges that events and circumstances indicate that the recorded carrying value of properties may not be recoverable. We provide for impairments on undeveloped property when we determine that the property will not be developed or a permanent impairment in value has occurred. Under the full cost method the net book value of oil and natural gas properties, less related deferred income taxes, may not exceed the estimated after-tax future net revenues from proved oil and natural gas properties, discounted at 10% (the “Ceiling Limitation”). In arriving at estimated future net revenues, estimated lease operating expenses, development costs, and certain production-related taxes are deducted. In calculating future net revenues, prices and costs in effect at the time of the calculation are held constant indefinitely, except for changes that are fixed and determinable by existing contracts. The net book value is compared to the ceiling limitation on a quarterly and yearly basis. The excess, if any, of the net book value above the ceiling limitation is charged to expense in the period in which it occurs and is not subsequently reinstated.

#### **OFF-BALANCE SHEET ARRANGEMENTS**

We do not have any material off-balance sheet arrangements.

#### **TABULAR DISCLOSURE OF CONTRACTUAL OBLIGATIONS**

None.

#### **ITEM 7A: QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Not applicable.

**ITEM 8: FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA**

The consolidated financial statements of North American Energy Resources, Inc. and Subsidiary together with the report thereon of Paritz & Company, P.A. for the years ended April 30, 2012 and 2011 and the period from inception (August 18, 2006) through April 30, 2012, is set forth as follows:

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

**To the Board of Directors  
North American Energy Resources, Inc. and Subsidiary  
(A Development Stage Company)**

We have audited the accompanying consolidated balance sheets of North American Energy Resources, Inc. and Subsidiary (A Development Stage Company) as of April 30, 2012 and 2011, and the related consolidated statements of operations, stockholders' deficit and cash flows for the years ended April 30, 2012 and 2011 and from inception (August 18, 2006) through April 30, 2012. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conduct our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of North American Energy Resources, Inc. and subsidiary (A Development Stage Company) as of April 30, 2012 and 2011, and the consolidated results of its operations and its cash flows for the years then ended and for the period from inception (August 18, 2006) to April 30, 2012, in conformity with accounting principles generally accepted in the United States of America.

The accompanying financial statements are prepared assuming the company will continue as a going concern. As discussed in note 8, as of April 30, 2012, the Company's current liabilities exceed its current assets by \$770,891 and its total liabilities exceed its total assets by \$768,715. The company has also incurred net losses since its inception. These factors, among others, raise substantial doubt as to the Company's ability to continue as a going concern. Managements' plans concerning these matters are also described in note 8. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

**/s/ Paritz & Company, P.A.**

Paritz & Company, P.A.  
Hackensack, New Jersey  
July 12, 2012

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Balance Sheets**  
**April 30, 2012 and 2011**

	<u>2012</u>	<u>2011</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 316	\$ 716
Accounts receivable	367	-
Prepaid expenses	-	8,664
Total current assets	<u>683</u>	<u>9,380</u>
Properties and equipment, at cost:		
Proved oil and natural gas properties and equipment using full cost accounting	<u>2,358</u>	<u>2,358</u>
	2,358	2,358
Accumulated depreciation and amortization	<u>(182)</u>	<u>(52)</u>
Total properties and equipment	<u>2,176</u>	<u>2,306</u>
Total assets	<u>\$ 2,859</u>	<u>\$ 11,686</u>
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
Current liabilities:		
Accounts payable		
Trade	\$ 97,616	\$ 30,860
Related parties	18,698	54,187
Oil and gas proceeds due others	-	368
Accrued expenses	223,772	859
Convertible notes payable due officer	392,810	-
Convertible notes payable	<u>38,678</u>	<u>38,678</u>
Total current liabilities	<u>771,574</u>	<u>124,952</u>
Commitments and contingencies		
Stockholders' deficit:		
Preferred stock: \$0.001 par value; 100,000,000 shares authorized; no shares issued and outstanding	-	-
Common stock: \$0.001 par value; 100,000,000 shares authorized; 21,554,945 shares issued and outstanding at April 30, 2012 and 2011	21,555	21,555
Additional paid in capital	2,838,197	2,838,197
Deficit accumulated during the development stage	<u>(3,628,467)</u>	<u>(2,973,018)</u>
Total stockholders' deficit	<u>(768,715)</u>	<u>(113,266)</u>
Total liabilities and stockholders' deficit	<u>\$ 2,859</u>	<u>\$ 11,686</u>

See accompanying notes to consolidated financial statements



**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Operations**  
**For the years ended April 30, 2012 and April 30, 2011 and the period**  
**from inception (August 18, 2006) through April 30, 2012**

	<u>2012</u>	<u>2011</u>	<b>Inception (August 18, 2006) through April 30,</b>	<u>2012</u>
<b>Oil and natural gas sales</b>	\$ 2,094	\$ 4,879		\$ 45,988
<b>Pipeline fees</b>	-	-		2,450
<b>Total revenues</b>	<u>2,094</u>	<u>4,879</u>		<u>48,438</u>
<b>Costs and expenses</b>				
Oil and natural gas production taxes	151	349		3,310
Oil and natural gas production expenses	993	8,814		108,110
Depreciation and amortization	130	1,530		16,246
Non-cash compensation	-	266,754		1,414,291
Asset impairment	-	46,894		910,714
General and administrative expense, net of operator's overhead fees	652,759	105,873		1,133,459
	<u>654,033</u>	<u>430,214</u>		<u>3,586,130</u>
<b>Loss from operations</b>	<u>(651,939)</u>	<u>(425,335)</u>		<u>(3,537,692)</u>
<b>Other income (expense):</b>				
Other income	9,619	-		9,939
Interest income - stockholder	-	-		900
Interest expense - officer and stockholders	(13,129)	(37,057)		(101,614)
Total other income (expense)	<u>(3,510)</u>	<u>(37,057)</u>		<u>(90,775)</u>
<b>Net loss</b>	<u>(655,449)</u>	<u>(462,392)</u>		<u>(3,628,467)</u>
<b>Other comprehensive loss</b>				
Unrealized loss on available-for-sale securities	-	1,000		-
Net comprehensive loss	<u>\$ (655,449)</u>	<u>\$ (461,392)</u>		<u>\$ (3,628,467)</u>
<b>Net loss per common share, basic and diluted</b>	<u>\$ (0.03)</u>	<u>\$ (0.02)</u>		
<b>Weighted average common shares outstanding</b>	<u>21,554,945</u>	<u>19,063,503</u>		

See accompanying notes to consolidated financial statements.

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Stockholders' Deficit**  
**For the period from inception (August 18, 2006) through April 30, 2012**

	<u>Date</u>	<u>Common stock</u>		<u>Additional Paid in Capital</u>	<u>Intrinsic Value of Common Stock Options</u>
		<u>Shares</u>	<u>Amount</u>		
BALANCE August 18, 2006		-	\$ -	\$ -	\$ -
Common stock issued for net assets	9/1/2006	11,264,485	11,265	88,735	-
Common stock issued for cash	9/7/2006	1,126,448	1,126	8,874	-
Common stock issued for cash	9/11/2006	1,126,448	1,126	8,874	-
Net loss		-	-	-	-
BALANCE April 30, 2007		13,517,381	13,517	106,483	-
Net loss		-	-	-	-
BALANCE April 30, 2008		13,517,381	13,517	106,483	-
Acquisition of North American Energy Resources, Inc.	7/28/2008	177,000	177	119,653	-
Conversion of note payable and accrued interest for common stock	7/31/2008	153,000	153	35,377	-
Common stock options granted for:					
350,000 shares at \$1.00 per share	8/1/2008	-	-	178,000	(178,000)
50,000 shares at \$1.25 per share	8/1/2008	-	-	27,096	(27,096)
Exercise common stock options:					
for \$1.25 per share	9/22/2008	100	-	6,250	-
for \$1.00 per share	9/22/2008	1,000	1	49,999	-
for \$1.25 per share	10/13/2008	100	-	6,250	-
for \$1.00 per share	10/13/2008	70	-	3,500	-
Accounts payable paid with common stock	10/14/2008	90	-	9,016	-
Amortize intrinsic value of options	10/31/2008	-	-	-	17,091
Cancel common stock options	11/5/2008	-	-	(188,005)	188,005
Common stock issued for compensation	11/7/2008	100	-	6,250	-
Common stock issued for accounts payable	11/7/2008	60	-	3,000	-
Common stock issued for consulting service	11/12/2008	3,000	3	310,497	-
Common stock issued for accounts payable	11/17/2008	400	1	24,999	-
Capital contribution by shareholder in cash	11/30/2008	-	-	50,000	-
Common stock issued for:					
Compensation	12/9/2008	338	-	5,000	-
Accounts payable	12/9/2008	300	-	1,200	-
Accounts payable	12/9/2008	400	-	6,000	-
Compensation	1/5/2009	500	1	4,999	-
Accounts payable	1/5/2009	800	1	3,199	-
Accounts payable	1/5/2009	400	1	3,999	-
Accounts payable	1/19/2009	4,000	4	14,996	-
Compensation	1/26/2009	1,500	2	4,998	-
Accounts payable	2/24/2009	6,000	6	9,761	-
Compensation	2/24/2009	1,000	1	1,999	-
Compensation	3/4/2009	4,000	4	4,996	-
Compensation	4/6/2009	4,000	4	5,996	-
Officer compensation	4/21/2009	160,000	160	145,440	-
Net loss		-	# -	-	-
BALANCE April 30, 2009		14,035,539	\$ 14,036	960,948	-

(Continued)

See accompanying notes to consolidated financial statements.

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Stockholders' Deficit, continued**  
**For the period from inception (August 18, 2006) through April 30, 2012**

	<u>Prepaid Officer Compensation</u>	<u>Accumulated Other Comprehensive Loss</u>	<u>Deficit Accumulated During the Development Stage</u>	<u>Total</u>
BALANCE August 18, 2006	\$ -	\$ -	\$ -	\$ -
Common stock issued for net assets	-	-	-	100,000
Common stock issued for cash	-	-	-	10,000
Common stock issued for cash	-	-	-	10,000
Net loss	-	-	(5,379)	(5,379)
BALANCE April 30, 2007	-	-	(5,379)	114,621
Net loss	-	-	(24,805)	(24,805)
BALANCE April 30, 2008	-	-	(30,184)	89,816
Acquisition of North American Energy Resources, Inc.	-	-	-	119,830
Conversion of note payable and accrued interest for common stock	-	-	-	35,530
Common stock options granted for:				
350,000 shares at \$1.00 per share	-	-	-	-
50,000 shares at \$1.25 per share	-	-	-	-
Exercise common stock options:				
for \$1.25 per share	-	-	-	6,250
for \$1.00 per share	-	-	-	50,000
for \$1.25 per share	-	-	-	6,250
for \$1.00 per share	-	-	-	3,500
Accounts payable paid with common stock	-	-	-	9,016
Amortize intrinsic value of options	-	-	-	17,091
Cancel common stock options	-	-	-	-
Common stock issued for compensation	-	-	-	6,250
Common stock issued for accounts payable	-	-	-	3,000
Common stock issued for consulting service	-	-	-	310,500
Common stock issued for accounts payable	-	-	-	25,000
Capital contribution by shareholder in cash	-	-	-	50,000
Common stock issued for:				
Compensation	-	-	-	5,000
Accounts payable	-	-	-	1,200
Accounts payable	-	-	-	6,000
Compensation	-	-	-	5,000
Accounts payable	-	-	-	3,200
Accounts payable	-	-	-	4,000
Accounts payable	-	-	-	15,000
Compensation	-	-	-	5,000
Accounts payable	-	-	-	9,767
Compensation	-	-	-	2,000
Compensation	-	-	-	5,000
Compensation	-	-	-	6,000
Officer compensation	(84,933)	-	-	60,667
Net loss	-	-	(1,097,468)	# (1,097,468)
BALANCE April 30, 2009	(84,933)	-	(1,127,652)	\$ (237,601)

(Continued)

See accompanying notes to consolidated financial statements.

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Stockholders' Deficit, continued**  
**For the period from inception (August 18, 2006) through April 30, 2012**

	<u>Date</u>	<u>Common stock</u>		<u>Additional Paid in Capital</u>	<u>Intrinsic Value of Common Stock Options</u>
		<u>Shares</u>	<u>Amount</u>		
BALANCE April 30, 2009		14,035,539	\$ 14,036	\$ 960,948	\$ -
Common stock issued for:					
consulting agreement	5/1/2009	400,000	400	419,600	-
consulting agreement	5/1/2009	200,000	200	209,800	-
oil and gas non-producing property	6/9/2009	700,000	700	125,300	-
accounts payable	7/27/2009	10,000	10	4,990	-
consulting agreement	7/27/2009	30,000	30	14,970	-
consulting agreement	7/27/2009	30,000	30	14,970	-
oil and gas producing property	9/25/2009	350,000	350	192,150	-
consulting contract	9/25/2009	300,000	300	182,700	-
cash	2/23/2010	200,000	200	5,800	-
consulting agreement	2/24/2010	400,000	400	31,600	-
consulting agreement - director fees	2/24/2010	450,000	450	35,550	-
consulting agreement - director fees	2/24/2010	150,000	150	11,850	-
officer compensation - director fees	2/24/2010	120,000	120	9,480	-
Other comprehensive loss on available-for-sale securities		-	-	-	-
Amortize officer compensation		-	-	-	-
Net loss		-	#	-	-
BALANCE April 30, 2010		17,375,539	17,376	2,219,708	-
Recission of available-for-sale securities transaction		-	-	-	-
Amortize officer compensation		-	-	-	-
Convertible note payable forgiven by related party	12/3/2010	-	-	57,920	-
Common stock issued for:					
Consulting agreement	12/2/2010	850,000	850	7,650	-
Conversion of convertible notes payable	12/5/2010	3,329,406	3,329	552,919	-
Net loss		-	-	-	-
BALANCE April 30, 2011		21,554,945	21,555	2,838,197	-
Net loss		-	-	-	-
BALANCE April 30, 2012		21,554,945	\$ 21,555	\$ 2,838,197	\$ -

(Continued)

See accompanying notes to consolidated financial statements.

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Cash Flows**  
**For the years ended April 30, 2012 and April 30, 2011 and the period**  
**from inception (August 18, 2006) through April 30, 2012**

	<u>2012</u>	<u>2011</u>	<u>Inception (August 18, 2006) through April 30, 2012</u>
<b>Operating activities</b>			
Net loss	\$ (655,449)	\$ (462,392)	\$ (3,628,467)
Adjustments to reconcile net loss to net cash used in operating activities:			
Depreciation and amortization	130	1,530	16,246
Non-cash compensation	-	266,754	1,414,291
Asset impairment	-	46,894	910,714
Bad debt expense	-	12,828	104,243
Changes in operating assets and liabilities:			
Accounts receivable	(367)	321	(96,424)
Accrued interest income - stockholder	-	-	(900)
Prepaid expenses and other assets	8,664	9,040	12,232
Accounts payable	66,756	24,693	365,503
Accrued expenses	222,913	37,076	309,887
Oil and gas proceeds due others	(368)	(4,622)	-
Advances from joint interest owners	-	(1,226)	(9,643)
Net cash used in operating activities	<u>(357,721)</u>	<u>(69,104)</u>	<u>(602,318)</u>
<b>Investing activities</b>			
Payments for oil and natural gas properties	-	(4,893)	(166,311)
Cash received in excess of cash paid to acquire North American Energy Resources, Inc.	-	-	119,830
Proceeds from sale of oil and natural gas properties	-	-	7,500
Payments for pipeline	-	-	(7,500)
Net cash used in investing activities	<u>-</u>	<u>(4,893)</u>	<u>(46,481)</u>
<b>Financing activities</b>			
Loan proceeds	-	-	48,750
Loans from officers and shareholders	392,810	17,500	523,660
Related party advances for working capital	(35,489)	54,187	705
Cash contributions from shareholders	-	-	50,000
Sale of common stock	-	-	26,000
Net cash provided by financing activities	<u>357,321</u>	<u>71,687</u>	<u>649,115</u>
<b>Net increase (decrease) in cash</b>	<b>(400)</b>	<b>(2,310)</b>	<b>316</b>
<b>Cash, beginning of period</b>	<b>716</b>	<b>3,026</b>	<b>-</b>
<b>Cash, end of period</b>	<b>\$ 316</b>	<b>\$ 716</b>	<b>\$ 316</b>

(Continued)

See accompanying notes to consolidated financial statements.

**NORTH AMERICAN ENERGY RESOURCES, INC. AND SUBSIDIARY**  
**(A Development Stage Company)**  
**Consolidated Statements of Cash Flows, Continued**  
**For the years ended April 30, 2012 and April 30, 2011 and the period**  
**from inception (August 18, 2006) through April 30, 2012**

	<u>2012</u>	<u>2011</u>	<b>Inception (August 18, 2006) through April 30, 2012</b>
<b>Supplemental cash flow information</b>			
<b>Cash paid for interest and income taxes:</b>			
Interest	\$ -	\$ -	\$ 437
Income taxes	-	-	-
<b>Non-cash investing and financing activities:</b>			
Common stock issued for:			
Notes receivable	\$ -	\$ -	\$ 76,000
Oil and gas properties	-	-	303,670
Interest in pipeline	-	-	100,000
Loans to shareholders assumed	-	-	(371,000)
Advance from joint interest participant assumed	-	-	(8,670)
			<hr style="border-top: 1px solid black;"/> \$ 100,000
Common stock issued for convertible note payable and accrued interest	-	556,248	591,778
Exchange of joint interest receivable for oil and natural gas properties	-	-	53,068
Common stock options granted	-	-	205,096
Common stock options cancelled	-	-	188,005
Common stock issued for consulting agreements	-	8,500	911,100
Unevaluated oil and gas properties	-	-	126,000
Proven oil and natural gas properties	-	-	192,500
Accounts payable	-	-	106,183
Chief executive officer compensation	-	-	155,200
Credit balance transferred from accounts receivable to accounts payable	-	-	1,068
Accounts receivable applied as payment on note payable to related party	-	-	4,572
Option exercises paid by reducing note payable to related party	-	-	75,250
Advance from shareholder converted to note	-	-	2,000
Accounts payable converted to convertible note payable	-	38,678	38,678

See accompanying notes to consolidated financial statements.

**NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization**

The consolidated financial statements include the accounts of North American Energy Resources ("NAEY") and its wholly owned subsidiary North American Exploration, Inc. ("NAE") (collectively the "Company"). All intercompany balances and transactions have been eliminated in consolidation.

NAEY was originally organized in Nevada on August 22, 2006 with the name Mar Ked Mineral Exploration, Inc. ("Mar Ked"). The Company changed its name from Mar Ked to North American Energy Resources, Inc. on August 11, 2008.

On July 28, 2008, the Company acquired 100% of the outstanding stock of NAE for 420,000 shares of our common stock pursuant to a Stock Purchase Agreement ("SPA"). Completion of the SPA resulted in the shareholders of NAE having control of NAEY. Accordingly, the transaction was recorded for accounting purposes as the acquisition of NAE by NAEY with NAE as the acquirer (reverse acquisition). The financial statements of the Company prior to July 28, 2008 are those of NAE. Formerly NAEY used a November 30 year-end. The Company will utilize the April 30 year-end of NAE after April 30, 2008.

The SPA provided that NAEY was to have \$1,500,000 in cash and no liabilities at closing. At closing, NAEY had \$150,000 of the required cash and on August 28, 2008, the parties to the SPA entered into a Modification Agreement ("MA") which provided an extension until January 27, 2009 for the additional cash to be contributed to the Company. At January 27, 2009, the Company had received an additional \$50,000 and was still short of the agreed amount by \$1,300,000. The MA provided that the Buyer would make contingent issuances of shares to the Seller equal to 95% of all the outstanding stock after issuance. Accordingly, effective April 30, 2009, an additional 13,250,381 shares were issued to the Sellers. Accordingly, the total purchase price for NAE was 13,690,381 shares of common stock.

NAE was organized in Nevada on August 18, 2006 as Signature Energy, Inc. and changed its name to North American Exploration, Inc. on June 2, 2008.

**Business**

NAE is an independent oil and natural gas company engaged in the acquisition, exploration and development of oil and natural gas properties and the production of oil and natural gas. The Company operates in the upstream segment of the oil and gas industry which includes the drilling, completion and operation of oil and gas wells. The Company has an interest in a pipeline in Washington County, Oklahoma which is currently shut-in, but has been used to gather natural gas production. The Company's gas production in Washington County, Oklahoma was shut-in due to low prices in February 2009 and was sold effective October 1, 2010 along with the Company's oil production in the area. The Company has acquired an interest in a non-operated gas well in Texas County, Oklahoma and is continuing to seek additional acquisition possibilities.

**Development stage**

We are considered a development stage company because we have had limited resources and do not currently have sufficient capital to complete our business plan, which includes acquiring and operating producing properties with development potential. Accordingly, the operations of the Companies are presented as those of a development stage enterprise, from inception (August 18, 2006).

**Cash**

The Company maintains cash balances at various financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. The Company's accounts at these institutions may, at times, exceed the federally insured limits. The Company has not experienced any losses in such accounts.

**Revenue recognition**

We derive our revenue primarily from the sale of produced crude oil and natural gas. Revenue is recorded in the month the product is delivered to the purchaser. We receive payment from one to three months after delivery. At the end of each month, we estimate the amount of production delivered to purchasers and the price we will receive. Variances between our estimated revenue and actual payment are recorded in the month the payment is received; however, the differences should be insignificant.

**Property and equipment**

The Company follows the full cost method of accounting for oil and natural gas operations. Under this method all productive and nonproductive costs incurred in connection with the acquisition, exploration and development of oil and natural gas reserves are capitalized. No gains or losses are recognized upon the sale or other disposition of oil and natural gas properties except in transactions that would significantly alter the relationship between capitalized costs and proved reserves. The costs of unevaluated oil and natural gas properties are excluded from the amortizable base until the time that either proven reserves are found or it has determined that such properties are impaired. The Company had no capitalized costs related to unevaluated properties at April 30, 2012 and 2011. As properties are evaluated, the related costs would be transferred to proven oil and natural gas properties using full cost accounting. All capitalized costs were included in the amortization base as of April 30, 2012 and 2011.

Under the full cost method the net book value of oil and natural gas properties, less related deferred income taxes, may not exceed the estimated after-tax future net revenues from proved oil and natural gas properties, discounted at 10% (the "Ceiling Limitation"). In arriving at estimated future net revenues, estimated lease operating expenses, development costs, and certain production-related taxes are deducted. In calculating future net revenues, revenues are based on the arithmetic average of beginning of month prices for both years. Costs in effect at the time of the calculation for both years are held constant indefinitely, except for changes that are fixed and determinable by existing contracts. The net book value is compared to the ceiling limitation on a quarterly and yearly basis. The excess, if any, of the net book value above the ceiling limitation is charged to expense in the period in which it occurs and is not subsequently reinstated. Reserve estimates used in determining estimated future net revenues have been prepared by an independent engineer for 2011. Due to the cost of obtaining a new reserve estimate for 2012 and the relative insignificance of the Company's reserves, the Company updated the 2011 report for use in 2012. The Company recorded an impairment of \$46,894 in 2011 and none in 2012.

Other property and equipment consists principally of the Company's interest in a pipeline. Other property and equipment and related accumulated amortization and depreciation are relieved upon retirement or sale and the gain or loss is included in operations. Renewals and replacements that extend the useful life of property and equipment are treated as capital additions. The pipeline was written off at the end of 2010 and an asset impairment charge of \$132,663 was recorded.

The Company assesses the recoverability of the carrying value of its non-oil and gas long-lived assets when events occur that indicate an impairment in value may exist. An impairment loss is indicated if the sum of the expected undiscounted future net cash flows is less than the carrying amount of the assets. If this occurs, an impairment loss is recognized for the amount by which the carrying amount of the assets exceeds the estimated fair value of the asset.

**Depreciation and amortization**

All capitalized costs of oil and natural gas properties and equipment, including the estimated future costs to develop proved reserves, are amortized using the unit-of-production method based on total proved reserves. Depreciation of other equipment is computed on the straight-line method over the estimated useful lives of the assets, which range from three to twenty-five years.

**Natural gas sales and gas imbalances**

The Company follows the entitlement method of accounting for natural gas sales, recognizing as revenues only its net interest share of all production sold. Any amount attributable to the sale of production in excess of or less than the Company's net interest is recorded as a gas balancing asset or liability. At April 30, 2012 and 2011, there were no natural gas imbalances.



**Credit and market risk**

The Company sells oil and natural gas to one customer and participates with other parties in the drilling, completion and operation of oil and natural gas wells. Joint interest and oil and natural gas sales receivables related to these operations are generally unsecured. The Company provides an allowance for doubtful accounts for certain joint interest owners' receivable balances when the Company believes the recoverable balance may not be collected. The Company has the right of offset of the joint interest owners' share of oil and natural gas production against amounts owed by the joint interest owners. Accounts receivable are presented net of the related allowance for doubtful accounts.

In 2012 and 2011, the Company had cash deposits in certain banks that at times may have exceeded the maximum insured by the Federal Deposit Insurance Corporation. The Company monitors the financial condition of the banks and has experienced no losses on these accounts.

**General and administrative expense**

The Company received fees for the operation of jointly owned oil and natural gas properties and recorded such reimbursements as reductions of general and administrative expense. Such fees totaled approximately \$3,000 in 2011 and none in 2012.

**Oil and natural gas reserve estimates**

The Company engaged an independent consultant to prepare its oil and natural gas reserves in 2011. Proved reserves, estimated future net revenues and the present value of our reserves are estimated based upon a combination of historical data and estimates of future activity. Consistent with SEC requirements, we have based our revenue projections on the arithmetic average of beginning of the month historical prices in 2012 and 2011. The reserve estimates are used in calculating depletion, depreciation and amortization and in the assessment of the Company's Ceiling Limitation. Significant assumptions are required in the valuation of proved oil and natural gas reserves which, as described herein, may affect the amount at which oil and natural gas properties are recorded. Actual results could differ materially from these estimates.

**Income taxes**

Provisions for income taxes are based on taxes payable or refundable for the current year and deferred taxes. Deferred taxes are provided on differences between the tax bases of assets and liabilities and their reported amounts in the financial statements, and tax carry forwards. Deferred tax assets and liabilities are included in the financial statements at currently enacted income tax rates applicable to the period in which the deferred tax assets and liabilities are expected to be realized or settled. As changes in tax laws or rates are enacted, deferred tax assets and liabilities are adjusted through the provision for income taxes.

At April 30, 2012 and 2011, the Company had no accrued interest or penalties relating to any tax obligations. The Company currently has no federal or state examination in progress, nor has it had any federal or state examinations since its inception. The last three years of the Company's tax years are subject to federal and state tax examination.

In assessing the realization of the deferred tax assets, management considers whether it is more likely than not that some portion of the deferred tax assets will be realized. The ultimate realization of the deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on this assessment, management has established a full valuation allowance against all of the deferred tax assets relating to the NOLs for every period because it is more likely than not that all of the deferred tax assets will not be realized.

**Earnings (loss) per common share**

The Company is required to report both basic earnings per share, which is based on the weighted-average number of common shares outstanding, and diluted earnings per share, which is based on the weighted-average number of common shares outstanding plus all potential dilutive shares outstanding. At April 30, 2012 and 2011, there were no potentially dilutive common stock equivalents. Accordingly, basic and diluted earnings (loss) per share are the same for each of the periods presented.

**Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair value of financial instruments**

Financial instruments consist of accounts payable, accrued expenses and short-term borrowings. The carrying amount of these financial instruments approximates fair value due to their short-term nature or the current rates at which the Company could borrow funds with similar remaining maturities.

**Stock option plans**

The compensation cost relating to share-based payment transactions (including the cost of all employee stock options) is required to be recognized in the financial statements. That cost will be measured based on the estimated fair value of the equity or liability instruments issued. The accounting literature covers a wide range of share-based compensation arrangements including share options, restricted share plans, performance-based awards, share appreciation rights, and employee share purchase plans.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options that have no vesting restrictions and are fully transferable. In addition, option valuation models require the input of highly subjective assumptions including the expected stock price volatility. Because the Company's options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the existing models may not necessarily provide a reliable single measure of the fair value of its options. However, the Black-Scholes option valuation model provides the best available estimate for this purpose.

**Contingencies**

Certain conditions may exist as of the date financial statements are issued, which may result in a loss to the Company, but which will only be resolved when one or more future events occur or fail to occur. Company management and its legal counsel assess such contingencies related to legal proceeding that are pending against the Company or unasserted claims that may result in such proceedings, the Company's legal counsel evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein. If the assessment of a contingency indicates that it is probable that a liability has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or if probable but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss if determinable would be disclosed.

**Asset retirement obligations**

The fair value of a liability for an asset retirement obligation is required to be recognized in the period in which it is incurred if a reasonable estimate of fair value can be made, and that the associated retirement costs be capitalized as part of the carrying amount of the long-lived asset. The Company determines its asset retirement obligation by calculating the present value of the estimated cash flows related to the liability. Periodic accretion of the discount of the estimated liability would be recorded in the statement of operations. At April 30, 2012 and 2011 the Company has estimated that its share of the cost of plugging and abandoning its producing properties was \$416 and \$376, respectively.

**Impairment of oil and gas properties**

Producing properties and significant unproved properties are assessed annually, or more frequently as economic events dictate, for potential impairment. Any impairment loss is the difference between the carrying value of the asset and its fair value. Fair value is calculated as the present value of estimated expected future cash flows from proved, probable and, as appropriate, possible reserves.

**Recent accounting pronouncements**

There are several new accounting pronouncements issued by the Financial Accounting Standards Board ("FASB") which are not yet effective. Each of these pronouncements, as applicable, has been or will be adopted by the Company. As of June 15, 2012, none of these pronouncements is expected to have a material effect on the financial position, results of operations or cash flows of the Company.

**NOTE 2: ACCOUNTS AND NOTE RECEIVABLE**

Accounts receivable at April 30, 2012 and 2011 include the following:

	<b>2012</b>	<b>2011</b>
Natural gas sales, net	\$ 367	\$ -
Note receivable	5,000	5,000
Allowance for doubtful accounts	(5,000)	(5,000)
	<u>\$ 367</u>	<u>\$ -</u>

The Company received a note for \$5,000 when it sold its oil properties and gas leases in Washington County, Oklahoma in the fall of 2010. The Company determined uncertainty about the collectability of the note exists and fully reserved the note balance at April 30, 2011.

#### **NOTE 3: PREPAID EXPENSES**

The prepaid expense at April 30, 2011 represents the unamortized balance of Directors and Officers insurance in the amount of \$8,664.

#### **NOTE 4: RELATED PARTY TRANSACTIONS**

At April 30, 2012 and 2011, the Company owes its CEO and CFO the following amounts for expense reimbursements and cash advances.

	<u><b>2012</b></u>	<u><b>2011</b></u>
Chief executive officer	\$ -	\$ 50,769
Chief financial officer	18,698	3,418
	<u>\$ 18,698</u>	<u>\$ 54,187</u>

In February 2010, the Company issued 120,000 shares of its common stock valued at \$9,600 for director fees to its former CEO, issued 450,000 shares of its common stock valued at \$36,000 to a Director for director fees and consulting services and issued 150,000 shares of its common stock valued at \$12,000 to a company controlled by a Director for director fees and management services.

Effective June 15, 2011, the Board of Directors approved compensation to begin accruing at the rate of \$10,000 per month for each of the two listed executive officers. Beginning effective November 1, 2011, the compensation rate for Mr. Coldren increased to \$20,833 per month and for Mr. Massara increased to \$18,750 per month. Both agreed to discontinue accruing their salary effective January 31, 2012 until conditions improve.

Accrued expenses include the following:

	<b>2012</b>	<b>2011</b>
Accrued compensation due officers	\$ 208,750	\$ -
Accrued interest due CEO	11,583	-
Amount due related parties	220,333	-
Other accrued expenses	994	-
Accrued interest - other	2,029	483
Asset retirement obligation	416	376
	<u>\$ 223,772</u>	<u>\$ 859</u>

**Convertible note payable – officer**

Interim financing for due diligence expenses and operations is being funded pursuant to a \$500,000 multiple advance bridge loan provided to the Company by Clinton W. Coldren, CEO. In evidence of the loan, on November 3, 2011, the Company issued to Clinton W. Coldren that certain 8% Convertible Note in the principal amount of \$500,000. The Convertible Note has a term of one year and is convertible, at the option of the Holder, into shares of common stock of the Company, in whole or in part at any time, at an initial conversion price equal to 130% of the volume-weighted average price of the common stock for the 50 trading days following October 31, 2011, subject to adjustment for distributions to shareholders, stock splits, reclassification of shares and tender or exchange offers. The Company does not have the right to prepay all or any portion of the Note prior to the Maturity Date.

**Warrants**

On December 15, 2010, the Board of Directors granted Warrants to its new Executive Team as described in Note 6 below.

The Board of Directors issued a warrant to acquire 500,000 shares of the Company's common stock at \$0.18 per share to its new director, Larry D. Hall, on November 10, 2011. The strike price exceeded the market price when the warrants were granted.

**NOTE 5: CONVERTIBLE NOTES PAYABLE**

Convertible notes payable at April 30, 2012 and 2011 consists of one convertible note in the amount of \$38,678 with interest accruing at 4% per annum which is due January 6, 2013. The note is convertible into the Company's common stock at the rate of \$0.10 per share. The note consists of accounts payable to a consultant that was converted into the convertible note.

**NOTE 6: STOCKHOLDER'S EQUITY****PREFERRED STOCK**

The Company has 100,000,000 shares of \$0.001 par value preferred stock authorized and no shares issued or outstanding at April 30, 2012 and 2011.

**COMMON STOCK**

The Company has 100,000,000 shares of its \$0.001 par value common stock authorized. At April 30, 2012 and 2011 the Company had 21,554,945 shares issued and outstanding.

## WARRANTS

As a part of their initial compensation, on December 15, 2010, the new Executive Team was granted Warrants with the following primary terms and conditions. The strike price exceeded the market price when the Warrants were granted.

- a) Each Warrant shall entitle the owner to purchase one share of common stock of the Company. The warrants contain price protection when the shares will be used for an acquisition at a price lower than the conversion price in force. The anti dilution provision will not apply to financings done below the strike price.
- b) The Executive Team was granted three Warrant Certificates as follows:
  1. Certificate #1 for 10,000,000 warrants with a strike price of \$0.025 per share must be exercised within one year of the date Executive Team begins collecting salaries from the Company,
  2. Certificate #2 for 10,000,000 warrants with a strike price of \$0.04 per share and a Term of 5 years from the vesting date, and
  3. Certificate #3 for 10,000,000 warrants with a strike price of \$0.055 per share and a Term of 5 years from the vesting date.
- c) Other warrant terms are as follows:
  1. Certificate #1 vests immediately, Certificate #2 shall vest upon execution of Certificate #1 and Certificate #3 shall vest upon execution of Certificate #1,
  2. All Warrants may vest early if the Company has revenue of \$12,500,000 total for two consecutive quarters and records a pre-tax net profit for the two quarters and other conditions including change in control, termination, etc.,
  3. The Warrant Certificates may be allocated among the Executive Team as they so determine, and
  4. The Warrants shall be registered in the first registration statement the Company files, subject to legal counsel approval.

The Board of Directors issued a warrant to acquire 500,000 shares of the Company's common stock at \$0.18 per share to its new director, Larry D. Hall, on November 10, 2011. The strike price exceeded the market price when the warrants were granted.

## CONTINGENT SHARES

On July 28, 2008, the Company acquired 100% of the outstanding stock of NAE for 420,000 shares of our common stock pursuant to a Stock Purchase Agreement ("SPA"). Completion of the SPA resulted in the shareholders of NAE having control of NAEY.

The SPA provided that NAEY was to have \$1,500,000 in cash and no liabilities at closing. At July 28, 2008, the closing date, NAEY had \$150,000 of the required cash and on August 28, 2008, the parties to the SPA entered into a Modification Agreement ("MA") which provided an extension until January 27, 2009 for the additional cash to be contributed to the Company. At January 27, 2009, the Company had received an additional \$50,000 and was still short \$1,300,000 of the agreed amount. The MA provided that the Buyer would make contingent issuances of shares to the Seller equal to 95% of all the outstanding stock after issuance. Accordingly, effective April 30, 2009, an additional 13,250,381 shares were issued to the Sellers. The total purchase price of NAE was 13,670,381 shares.

## COMMON STOCK OPTIONS

The North American Energy Resources, Inc. 2008 Stock Option Plan ("Plan") was filed on September 11, 2008 and reserved 2,500,000 shares for awards under the Plan. The Company's Board of Directors is designated to administer the Plan and may form a Compensation Committee for this purpose. The Plan terminates on July 23, 2013.

Options granted under the Plan may be either "incentive stock options" intended to qualify as such under the Internal Revenue Code, or "non-qualified stock options." Options outstanding under the Plan have a maximum term of up to ten years, as designated in the option agreements.

At April 30, 2012 and 2011, there are 1,242,333 shares available for grant. There was no activity in options during 2012 or 2011.

**NOTE 7: INCOME TAXES**

The Company has not provided a deferred tax benefit or expense for the years ended April 30, 2012 and 2011, as all net deferred tax assets have a full valuation allowance.

Actual income tax benefit applicable to net loss before income taxes is reconciled with the “normally expected” federal income tax as follows:

	<u>2012</u>	<u>2011</u>
"Normally expected" income tax benefit	\$ (222,900)	\$ (157,200)
State income taxes net of federal income tax benefit	(26,200)	(18,500)
Other	500	100
Valuation allowance	248,600	175,600
Total	<u>\$ -</u>	<u>\$ -</u>

The Company’s income tax provision was computed based on the federal statutory rate and the average state rate, net of the related federal benefit. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company’s deferred tax assets and liabilities are as follows:

	<u>2012</u>	<u>2011</u>
Net operating loss carryforward	\$ 1,087,000	\$ 920,000
Accrued compensation and accrued interest	84,300	-
Depreciable/depletable property, plant and equipment	47,700	50,400
Bad debts	1,900	1,900
Valuation allowance	(1,220,900)	(972,300)
Total	<u>\$ -</u>	<u>\$ -</u>

At April 30, 2012, the Company has net operating loss carryforwards in the amount of approximately \$3,272,000, which expire between 2027 and 2032.

**NOTE 8: GOING CONCERN**

The accompanying financial statements are prepared assuming the company will continue as a going concern. As of April 30, 2012, the Company’s current liabilities exceed its current assets by \$770,891 and its total liabilities exceed its total assets by \$768,715. The company has also incurred net losses since its inception. These factors, among others, raise substantial doubt as to the Company’s ability to continue as a going concern. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

The Company expects to attempt to raise capital with private placements of common stock and borrow funds as necessary to implement its business plan.

**NOTE 9: ASSET IMPAIRMENTS**

The Company recorded an asset impairment during the year ended April 30, 2011 in the amount of \$46,894 due to a ceiling test limitation on oil and gas reserves, which resulted from selling the properties below book value.

**NOTE 10: SUBSEQUENT EVENT**

The Company has evaluated events occurring after the date of these financial statements through July 12, 2012, the date that these financial statements were issued. There were no material subsequent events as of that date which would require disclosure in or adjustments to these financial statements.

**NOTE 11: SUPPLEMENTARY OIL AND GAS RESERVE INFORMATION (UNAUDITED)**

The Company has an interest in a gas well in Texas County, Oklahoma at April 30, 2012 and 2011.

The Company engaged an independent consultant to prepare its year-end estimates of future net recoverable oil and natural gas reserves at April 30, 2011. Due to the cost involved and the relative limited value of the reserves, the Company incorporated the assumptions used by the independent consultant in 2011 and prepared its own estimate as of April 30, 2012. Estimated proved net recoverable reserves as shown below include only those quantities that can be expected to be commercially recoverable using the beginning of month average prices and costs in effect at the balance sheet dates existing under existing regulatory practices and with conventional equipment and operating methods.

Proved developed reserves represent only those reserves expected to be recovered through existing wells. Proved undeveloped reserves would include those reserves expected to be recovered from new wells on un-drilled acreage or from existing wells on which a relatively major expenditure is required for re-completion.

Capitalized costs relating to oil and natural gas producing activities and related accumulated depreciation and amortization at April 30, 2012 and 2011 are summarized as follows:

	2012	2011
Proved oil and natural gas properties under full cost	\$ 2,358	\$ 2,358
Accumulated depreciation and amortization	(182)	(52)
	<u>\$ 2,176</u>	<u>\$ 2,306</u>

Costs incurred in oil and natural gas producing activities for the year ended April 30, 2012 and 2011 are summarized as follows:

	2012	2011
Acquisition of proved properties	\$ -	\$ 2,000
Development costs	-	2,893
	<u>\$ -</u>	<u>\$ 4,893</u>
Amortization rate per equivalent BOE	<u>\$ 1.03</u>	<u>\$ 1.04</u>

Net quantities of proved and proved developed reserves of oil and natural gas are summarized as follows:

	Oil (BBLs)	Gas (MCF)
Balance, April 30, 2010	2,250	-
Extensions and discoveries	-	-
Acquisition of producing reserves	-	13,611
Sale of producing reserves	(2,186)	-
Revisions of estimates	-	-
Production	(64)	(291)
Balance, April 30, 2011	<u>-</u>	<u>13,320</u>
Production	-	(751)
Revisions of estimates	0	110
Balance, April 30, 2012	<u>-</u>	<u>12,679</u>

The following is a summary of a standardized measure of discounted net cash flows related to the Company's proved oil and natural gas reserves. For these calculations, estimated future cash flows from estimated future production of proved reserves were computed using the arithmetic average of beginning of month prices. Future development and production costs attributable to the proved reserves were estimated assuming that existing conditions would continue over the economic lives of the individual leases and costs were not escalated for the future. Estimated future income tax expenses were calculated by applying future statutory tax rates (based on the current tax law adjusted for permanent differences and tax credits) to the estimated future pretax net cash flows related to proved oil and natural gas reserves, less the tax basis of the properties involved.

The Company cautions against using this data to determine the fair value of its oil and natural gas properties. To obtain the best estimate of the fair value of the oil and natural gas properties, forecasts of future economic conditions, varying discount rates, and consideration of other than proved reserves would have to be incorporated into the calculation. In addition, there are significant uncertainties inherent in estimating quantities of proved reserves and in projection rates of production that impair the usefulness of the data.

The standardized measure of discounted future net cash flows relating to proved oil and natural gas reserves at April 30, 2012 and 2011 are summarized as follows:

	<u>2012</u>	<u>2011</u>
Future cash inflows	\$ 35,375	\$ 39,580
Future production costs	(26,354)	(28,840)
Future income tax expenses	-	-
Future net cash flows	<u>9,021</u>	<u>10,740</u>
10% annual discount for estimated timing of cash flows	(4,350)	(5,050)
Standardized measure of discounted future net cash flows	<u>\$ 4,671</u>	<u>\$ 5,690</u>

The following are the principal sources of changes in the standardized measure of discounted future net cash flows of the Company for the years ended April 30, 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Standardized measure of discounted future net cash flows at beginning of period	\$ 5,690	\$ 52,250
Changes during the period:		
Sales of natural gas produced, net of production costs	(991)	4,284
Net changes in prices and production costs	(28)	6,247
Impairments	-	(46,984)
Development costs incurred and revisions	-	2,893
Purchase of reserves in place	-	2,000
Sale of properties	-	(15,000)
Net change	<u>(1,019)</u>	<u>(46,560)</u>
Standardized measure of discounted future net cash flows at end of period	<u>\$ 4,671</u>	<u>\$ 5,690</u>

Prices used in computing these calculations of future production of proved reserves were \$2.79 and \$2.97 per thousand cubic feet (MCF) of natural gas at April 30, 2012 and 2011, respectively.



## ITEM 9: CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

### ITEM 9A: CONTROLS AND PROCEDURES

#### Evaluation of disclosure controls and procedures

Under the PCAOB standards, a control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention by those responsible for oversight of the company's financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined under Rule 13a-15(e) and Rule 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended (Exchange Act), as of April 30, 2012. Our management has determined that, as of April 30, 2012, the Company's disclosure controls and procedures are effective.

#### Management's report on internal control over financial reporting

Management of the Company is responsible for establishing and maintaining effective internal control over financial reporting, as defined in Rule 13a-15(f) under the Exchange Act. The Company's internal control over financial reporting is designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements in accordance with the United States' generally accepted accounting principles (US GAAP), including those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the Company, (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with US GAAP and that receipts and expenditures are being made only in accordance with authorizations of management and directors of the Company, and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, we conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework established by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) as set forth in its Internal Control - Integrated Framework. Based on our evaluation under the framework in Internal Control - Integrated Framework, our management has concluded that our internal control over financial reporting was effective as of April 30, 2012.

There were no significant changes in internal controls or in other factors that could significantly affect these controls during the quarter ended April 30, 2012.

### ITEM 9B: OTHER INFORMATION

Not applicable.

PART III

ITEM 10: DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Executive Officers and Directors

The following section sets forth the names, ages and current positions with the Company held by the Directors, Executive Officers and Significant Employees; together with the year such positions were assumed. We are not aware of any arrangement or understanding between any Director or Executive Officer and any other person pursuant to which he was elected to his current position. Each Executive Officer will serve until he or she resigns or is removed or otherwise disqualified to serve, or until his or her successor is elected and qualified.

Each Director will serve until he or she resigns or is removed or otherwise disqualified to serve or until his or her successor is elected. The Company currently has four Directors.

DATE FIRST  
NAME AGE POSITION ELECTED/APPOINTED

Clinton W. Coldren 56 Chairman, December 15, 2010  
Chief Executive Officer

Alan G. Massara 58 President, December 15, 2010  
Chief Financial Officer

Michael D. Pruitt 51 Executive Vice President December 29, 2009  
and Director

Larry D. Hall 69 Director November 9, 2011

**Clinton W. Coldren - Chairman and Chief Executive Officer** - Mr. Coldren, brings 33+ years of oil and gas management, financial and operational experience to the Company. For most of these years he focused on domestic operating basins, specifically the Louisiana and Texas Gulf coast. He has held management positions with Gulf Oil/Chevron and CNG Producing. Mr. Coldren has had great success as a company builder - he founded Cenergy Corporation, an oil and gas consulting company, and was a founding member of Energy Partners, Ltd., which became a publicly traded company focused on the shallow-water region of the Gulf of Mexico. At Energy Partners, he held several senior positions, including Executive Vice President and Chief Operating Officer. Mr. Coldren then founded Coldren Oil & Gas Company LP, where he was Director, President and CEO for this Gulf of Mexico oil and gas company. Most recently he did a start-up, Bayou Bend Petroleum, a publicly traded exploration company where he was Director, President and CEO. These were all successful companies completing major acquisitions and transactions up to \$500 Million in the Gulf region. In 1977 Mr. Coldren graduated from Lehigh University with a degree in Mechanical Engineering. He later received his MBA from the University of Pittsburgh in 1992.

**Alan G. Massara - President, Chief Financial Officer and Director** - Mr. Massara, has over 35 years of experience primarily in energy and investment banking. Alan has raised over \$2.5 Billion in privately placed debt and equity and he has provided M&A, lending and advisory services to over 2 dozen companies ranging in size from \$1 Million to over \$1 Billion. Mr. Massara's energy career began as a petroleum engineer in the Gulf of Mexico with Gulf Oil Corp. This initial exposure included reservoir engineering, drilling, workovers, platform and equipment design and strategic planning. Moving to the corporate headquarters of Texaco Inc. he managed many overseas exploration and production ventures. This included negotiating one of the first concessions with the Peoples Republic of China, and managing operations in Spain, the Netherlands, Egypt and Indonesia. During his oversight of Texaco's Australian subsidiary its earnings grew from a loss to over \$100 Million profit. Moving to Wall Street he became a VP in Citicorp's Global Mergers and Acquisitions Group providing advisory services throughout the upstream energy and utility industries. Subsequently as an SVP for ING Barings, he expanded the energy group from mezzanine lending to merchant banking. Most recently he was CEO of Four Springs Energy LLC., and President of Natural Resources Advisors, Inc. In 1975 Mr. Massara graduated from Lehigh University with a degree in Civil Engineering. He later received his MBA in Finance and Strategic Planning from the Wharton Business School in 1979.

**Michael D. Pruitt - Director** - Mr. Pruitt is a long-time entrepreneur with a proven track record, possesses the expertise to evaluate potential investments, form key relationships and recognize a strong management team. Mr. Pruitt founded Avenel Financial Group, a boutique financial services firm concentrating on emerging technology company investments. The business succeeded immediately, and in order to grow Avenel Financial Group to its full potential and better represent the company's ongoing business model, he formed Avenel Ventures, an innovative technology investment and business development company. In the late 1980s, Mr. Pruitt owned Southern Cartridge, Inc., which he eventually sold to MicroMagnetic, Inc., where he continued working as Executive Vice President and a Board member until Southern Cartridge was sold to Carolina Ribbon in 1992. From 1992 to 1996, Mr. Pruitt worked in a trucking firm where he was instrumental in increasing revenues from \$6 million to \$30 million. The firm was sold in 1996 to Priority Freight Systems. Between 1997 and 2000, Mr. Pruitt assisted several public and private companies in raising capital, recruiting management and preparing companies to go public or be sold. He was the CEO, President and Chairman of the Board of Onetravel Holdings, Inc. (formerly RCG Companies), a publicly traded holding company formerly listed on the AMEX. Mr. Pruitt received a Bachelor of Arts degree from Coastal Carolina University in Conway, South Carolina, where he sits on the Board of Visitors of the Wall School of Business. Mr. Pruitt is currently a director and Chief Executive Officer of Chanticleer Holdings, Inc. and Efftec International, Inc.

**Larry D. Hall - Director** - Mr. Hall previously served as Chairman/CEO and COO of KN Energy, Inc. a diversified and integrated natural gas company. Under his leadership KN Energy, Inc. grew from approximately \$450 Million in assets to over \$9 Billion in assets through growth in the business and strategic acquisitions of companies and assets. Mr. Hall obtained a Bachelor of Arts in Business and a Juris Doctor degree, with honors, from the University of Nebraska. During his time at KN Energy he also represented the company before the Federal Energy Regulatory Commission and state regulatory agencies in the states of Colorado, Wyoming, Kansas, Nebraska, Oklahoma and Texas. Mr. Hall was Vice Chairman of, and on the Board of Directors of, the Interstate Natural Gas Association of America and also served as Director of the Colorado Association Commerce and Industry, Mountain States Employers' Council, Inc. and the Public Education and Business Coalition

#### **Audit Committee**

The Board of Directors of the Company serves as the audit committee.

#### **Compliance with Section 16(a) Of the Exchange Act**

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's executive officers, directors and persons who own more than ten percent of the Company's common stock to file initial reports of ownership and changes in ownership with the SEC. Additionally, SEC regulations require that the Company identify any individuals for whom one of the referenced reports was not filed on a timely basis during the most recent fiscal year or prior fiscal years. The Company is unaware of any late filings.

#### **Code of Ethics**

The Company has not yet adopted a code of ethics to apply to its principal executive officer, principal financial officer, principal accounting officer and controller, or persons performing similar functions.

#### **Nominating Committee**

We do not currently have a standing nominating committee, or a committee performing similar functions. The full Board of Directors currently serves this function.

### **ITEM 11: EXECUTIVE COMPENSATION**

The Compensation Committee of the Board of Directors deliberates executive compensation matters to the extent they are not delegated to the Chief Executive Officer.

#### **a. Summary Compensation Table**

The following table shows the compensation of the Company's Chief Executive Officer and each executive officer whose total cash compensation exceeded \$100,000 for the two years ended April 30, 2012.

#### ANNUAL COMPENSATION

##### Stock

##### Name and Principal Position Year Salary Awards Total

Clinton W. Coldren (CEO since 2012 \$ 107,500 \$ - \$ 107,500  
December 15, 2010) (a) 2011 - - -  
Ross E. Silvey (CEO from 2012 \$ - \$ - \$ -  
June 2008 until December 2011 - 12,129 12,129  
2010)

Alan G. Massara (CFO since 2012 \$ 101,250 \$ - \$ 101,250  
December 15, 2010) (a) 2011 - - -

(a) Salaries in 2012 were accrued and unpaid at April 30, 2012.

##### **Narrative disclosure to summary compensation table**

Required columns for bonus, option awards, non-entity incentive plan compensation, change in pension value and nonqualified deferred compensation earnings and all other compensation are omitted from the table above as the amounts are all zero. Compensation levels and amounts are determined by the Board of Directors based on amounts paid to executives in similar sized companies with similar responsibilities.

As a part of their initial compensation, on December 15, 2010, the new Executive Team, consisting of Mr. Coldren and Mr. Massara, was granted Warrants with the following primary terms and conditions. The strike price exceeded the market price when the Warrants were granted.

a) Each Warrant shall entitle the owner to purchase one share of common stock of the Company. The warrants contain price protection when the shares will be used for an acquisition at a price lower than the conversion price in force. The anti dilution provision will not apply to financings done below the strike price.

b) The Executive Team was granted three Warrant Certificates as follows:

1. Certificate #1 for 10,000,000 warrants with a strike price of \$0.025 per share must be exercised within one year of the date Executive Team begins collecting salaries from the Company,
2. Certificate #2 for 10,000,000 warrants with a strike price of \$0.04 per share and a Term of 5 years from the vesting date, and
3. Certificate #3 for 10,000,000 warrants with a strike price of \$0.055 per share and a Term of 5 years from the vesting date.

c) Other warrant terms are as follows:

1. Certificate #1 vests immediately, Certificate #2 shall vest upon execution of Certificate #1 and Certificate #3 shall vest upon execution of Certificate #1,
2. All Warrants may vest early if the Company has revenue of \$12,500,000 total for two consecutive quarters and records a pre-tax net profit for the two quarters and other conditions including change in control, termination, etc.,
3. The Warrant Certificates may be allocated among the Executive Team as they so determine, and
4. The Warrants shall be registered in the first registration statement the Company files, subject to legal counsel approval.

Mr. Silvey was granted 160,000 shares of our restricted common stock valued at \$145,600 in exchange for his services for the period July 1, 2008 through June 30, 2010.

## EMPLOYMENT AGREEMENTS

The new Executive Team agreed to defer any salary during the initial six months of their employment. Appropriate employment agreements will be developed at that time. The Company intends to pay its Executives and Directors salaries, wages, or fees commensurate with experience and industry standards in relationship to the success of the company.

Effective June 15, 2011, the Board of Directors approved compensation to begin accruing at a rate of \$10,000 per month for each of the two listed executive officers. Beginning effective November 1, 2011, the compensation rate for Mr. Coldren increased to \$20,833 per month and for Mr. Massara increased to \$18,750 per month. Both agreed to discontinue accruing their salary effective January 31, 2012 until conditions improve.

### b. Compensation of directors

The Board of Directors issued a warrant to acquire 500,000 shares of the Company's common stock at \$0.18 per share to its new director, Larry D. Hall, on November 10, 2011. The strike price exceeded the market price when the warrants were granted. None in 2011.

## ITEM 12: SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

### (a) SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The table below lists the beneficial ownership of the Company's voting securities by each person known to be the beneficial owner of more than 5% of such securities. As of April 30, 2012 and June 15, 2012, there were 21,554,945 shares of the Company's common stock issued and outstanding. To the best of our knowledge, the persons named have sole voting and investment power with respect to such shares, except as otherwise noted. There are not any pending or anticipated arrangements that may cause a change in control.

The information presented below regarding beneficial ownership of our voting securities has been presented in accordance with the rules of the Securities and Exchange Commission and is not necessarily indicative of ownership for any other purpose. Under these rules, a person is deemed to be a "beneficial owner" of a security if that person has or shares the power to vote or direct the voting of the security or the power to dispose or direct the disposition of the security. A person is deemed to own beneficially any security as to which such person has the right to acquire sole or shared voting or investment power within 60 days through the conversion or exercise of any convertible security, warrant, option or other right. More than one person may be deemed to be a beneficial owner of the same securities. The percentage of beneficial ownership by any person as of a particular date is calculated by dividing the number of shares beneficially owned by such person, which includes the number of shares as to which such person has the right to acquire voting or investment power within 60 days, by the sum of the number of shares outstanding as of such date plus the number of shares as to which such person has the right to acquire voting or investment power within 60 days. Consequently, the denominator used for calculating such percentage may be different for each beneficial owner. We believe that the beneficial owners of our common stock listed below have sole voting and investment power with respect to the shares shown.

The following information lists, as to each class, equity securities beneficially owned by all officers and directors, and of the directors and officers of the issuer, as a group as of April 30, 2012.

<u>Title of class</u>	<u>Name and address of beneficial owner</u>	<u>Amount and nature of beneficial owner</u>	<u>Percent of class</u>
Common	Clinton W. Coldren (1) 1535 Soniat St. New Orleans, LA 70115	15,000,000	41.0%
Common	Alan G. Massara (1) 1535 Soniat St. New Orleans, LA 70115	15,000,000	41.0%
Common	Michael D. Pruitt (2) 11220 Elm Lane, Ste 203 Charlotte, NC 28277	2,992,577	13.9%
Common	All officers and directors as a group (3 persons)	32,992,577	64.0%

(1) Mr. Coldren and Mr. Massara are parties to a warrant agreement described in Item 10 above. The total warrants in the plan of 30,000,000 are split equally between the two in the table above.

(2) The shares beneficially owned by Mr. Pruitt include 352,137 shares owned by Avenel Financial Group, Inc. which is wholly owned by Mr. Pruitt; 700,000 shares owned by Chanticleer Holdings, Inc. of which Mr. Pruitt is Chief Executive Officer, a director and 15% owner; and 1,940,440 shares owned by Avenel Ventures, LLC, which is wholly owned by Chanticleer Holdings, Inc.

#### Equity Compensation Plan Information

<u>Plan category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in the first column)</u>
Equity compensation plans approved by security holders	-		1,242,333
Equity compensation plans not approved by security holders	-		-
Total	-		1,242,333

The North American Energy Resources, Inc. 2008 Stock Option Plan ("Plan") was filed on September 11, 2008 and reserved 2,500,000 shares for Awards under the Plan. The Company's Compensation Committee is designated to administer the Plan at the direction of the Board of Directors. No options were granted during the two years ended April 30, 2012 and 2011.

#### ITEM 13: CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

At April 30, 2012 and 2011, the Company owes its CEO and CFO the following amounts for expense reimbursements .

	<u>2012</u>	<u>2011</u>
Chief executive officer	\$ -	\$ 50,769
Chief financial officer	18,698	3,418
	<u>\$ 18,698</u>	<u>\$ 54,187</u>

In February 2010, the Company issued 120,000 shares of its common stock valued at \$9,600 for director fees to its former CEO, issued 450,000 shares of its common stock valued at \$36,000 to a Director for director fees and consulting services and issued 150,000 shares of its common stock valued at \$12,000 to a company controlled by a Director for director fees and management services.

Effective June 15, 2011, the Board of Directors approved compensation to begin accruing at the rate of \$10,000 per month for each of the two listed executive officers. Beginning effective November 1, 2011, the compensation rate for Mr. Coldren increased to \$20,833 per month and for Mr. Massara increased to \$18,750 per month. Both agreed to discontinue accruing their salary effective January 31, 2012 until conditions improve.

Accrued expenses include the following:

	<u>2012</u>	<u>2011</u>
Accrued compensation due officers	\$ 208,750	\$ -
Accrued interest due CEO	11,583	-
Amount due related parties	220,333	-
Other accrued expenses	994	-
Accrued interest - other	2,029	483
Asset retirement obligation	416	376
	<u>\$ 223,772</u>	<u>\$ 859</u>

#### **Convertible note payable – officer**

Interim financing for due diligence expenses and operations is being funded pursuant to a \$500,000 multiple advance bridge loan provided to the Company by Clinton W. Coldren, CEO. In evidence of the loan, on November 3, 2011, the Company issued to Clinton W. Coldren that certain 8% Convertible Note in the principal amount of \$500,000. The Convertible Note has a term of one year and is convertible, at the holder's option, into shares of common stock of the Company, in whole or in part at any time, at an initial conversion price equal to 130% of the volume-weighted average price of the common stock for the 50 trading days following October 31, 2011, subject to adjustment for distributions to shareholders, stock splits, reclassification of shares and tender or exchange offers. The Company does not have the right to prepay all or any portion of the Note prior to the Maturity Date.

#### **Warrants**

On December 15, 2010, the Board of Directors granted Warrants to its new Executive Team as described in Note 6 below.

The Board of Directors issued a warrant to acquire 500,000 shares of the Company's common stock at \$0.18 per share to its new director, Larry D. Hall, on November 10, 2011. The strike price exceeded the market price when the warrants were granted.

#### **ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES**

**Audit Fees** – The aggregate fees billed as of May 31, 2011 for professional services rendered by the Company's accountant was approximately \$10,945 and \$13,930 for the audit of the Company's annual financial statements and the quarterly reviews for the fiscal years ended April 30, 2012 and 2011. The costs for the audit of 2010 is included in the 2011 amount and the cost of the 2011 audit is included in the 2012 amount.

**Audit-Related Fees** – None.

**Tax Fees** – None.

**All Other Fees** – Other than the services described above, no other fees were billed for services rendered by the principal accountant.

**Audit Committee Policies and Procedures** – Not applicable.

If greater than 50 percent, disclose the percentage of hours expended on the principal accountant's engagement to audit the registrant's financial statements for the most recent fiscal year that were attributed to work performed by persons other than the principal accountant's full-time, permanent employees – Not applicable.

**PART IV**

**ITEM 15: EXHIBITS AND FINANCIAL STATEMENT SCHEDULES**

- (a) The following documents are filed as part of this report:
1. Financial Statements – The following consolidated financial statements of North American Energy Resources, Inc. are contained in Item 8 of this Form 10-K:
    - Report of Independent Registered Public Accountant
    - Consolidated Balance Sheets at April 30, 2012 and 2011
    - Consolidated Statements of Operations – For the years ended April 30, 2012 and 2011 and from inception (August 18, 2006) through April 30, 2012
    - Consolidated Statements of Stockholders' Deficit - From inception (August 18, 2006) through April 30, 2012
    - Consolidated Statements of Cash Flows – For the years ended April 30, 2012 and 2011 and from inception (August 18, 2006) through April 30, 2012
    - Notes to the Consolidated Financial Statements
  2. Financial Statement Schedules were omitted, as they are not required or are not applicable, or the required information is included in the Financial Statements.
  3. Exhibits – The following exhibits are filed with this report or are incorporated herein by reference to a prior filing, in accordance with Rule 12b-32 under the Securities Exchange Act of 1934.

Exhibit Description

31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934
31.2	Certification of the Chief Financial Officer pursuant to Rule 13a-14 of the Securities Exchange Act of 1934
32.1	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350
32.2	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350



## SIGNATURES

In accordance with the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

NORTH AMERICAN ENERGY RESOURCES, INC.

July 12, 2012 /s/ Clinton W. Coldren  
Clinton W. Coldren, Chairman and CEO

July 12, 2012 /s/ Alan G. Massara  
Alan G. Massara, President and CFO

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

July 12, 2012 /s/ Clinton W. Coldren  
Clinton W. Coldren, Chairman and CEO

July 12, 2012 /s/ Alan G. Massara  
Alan G. Massara, President and CFO

July 12, 2012 /s/ Michael D. Pruitt  
Michael D. Pruitt, Director

July 12, 2012 /s/ Larry D. Hall  
Larry D. Hall, Director



NORTH AMERICAN ENERGY RESOURCES, INC. FORM 10-K  
FOR THE FISCAL YEAR ENDED APRIL 30, 2012  
CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Clinton W. Coldren, certify that:

1. I have reviewed this annual report on Form 10-K of North American Energy Resources, Inc. (the registrant);
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the consolidated financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to me by others, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal controls over financial reporting that occurred during the registrant's current fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 12, 2012 /s/ Clinton W. Coldren

Clinton W. Coldren  
Chief Executive Officer

NORTH AMERICAN ENERGY RESOURCES, INC. FORM 10-K  
FOR THE FISCAL YEAR ENDED APRIL 30, 2012  
CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Alan G. Massara, certify that:

1. I have reviewed this annual report on Form 10-K of North American Energy Resources, Inc. (the registrant);
2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report;
3. Based on my knowledge, the consolidated financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;
4. I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have;
  - a. designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under my supervision, to ensure that material information relating to the registrant, is made known to me by others, particularly during the period in which this report is being prepared;
  - b. designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report my conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. disclosed in this report any change in the registrant's internal controls over financial reporting that occurred during the registrant's current fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. I have disclosed, based on my most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

July 12, 2012 /s/ Alan G. Massara

Alan G. Massara  
President and  
Chief Financial Officer

NORTH AMERICAN ENERGY RESOURCES, INC. FORM 10-K  
FOR THE FISCAL YEAR ENDED APRIL 30, 2012  
CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Clinton W. Coldren, certify that

1. I am the Chief Executive Officer of North American Energy Resources, Inc.
2. Attached to this certification is Form 10-K for the fiscal year ended April 30, 2012, a periodic report (the "periodic report") filed by the issuer with the Securities Exchange Commission pursuant to Section 13(a) or 15(d) of the Securities and Exchange Act of 1934 (the "Exchange Act"), which contains financial statements.
3. I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that
  - The periodic report containing the financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act, and
  - The information in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer for the periods presented.

July 12, 2012 /s/ Clinton W. Coldren  
Clinton W. Coldren  
Chief Executive Officer

NORTH AMERICAN ENERGY RESOURCES, INC. FORM 10-K  
FOR THE FISCAL YEAR ENDED APRIL 30, 2012  
CERTIFICATION OF CHIEF FINANCIAL OFFICER  
PURSUANT TO 18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Alan G. Massara, certify that

1. I am the President and Chief Financial Officer of North American Energy Resources, Inc.
2. Attached to this certification is Form 10-K for the fiscal year ended April 30, 2012, a periodic report (the "periodic report") filed by the issuer with the Securities Exchange Commission pursuant to Section 13(a) or 15(d) of the Securities and Exchange Act of 1934 (the "Exchange Act"), which contains financial statements.
3. I hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that
  - The periodic report containing the financial statements fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act, and
  - The information in the periodic report fairly presents, in all material respects, the financial condition and results of operations of the issuer for the periods presented.

July 12, 2012 /s/ Alan G. Massara  
Alan G. Massara  
President and  
Chief Financial Officer