

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 10-KSB

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934
 TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2004

Commission file number: 0-22149

THE AMERICAN ENERGY GROUP, LTD.

(Exact name of Registrant as specified in its charter)

Nevada
(State or other jurisdiction of
incorporation or organization)

87-0448843
(I.R.S. Employer
Identification No.)

120 Post Road West
Suite 202
Westport, Connecticut
(Address of principal executive offices)

06880
(Zip code)

203-222-7315

(Registrant's telephone number including area code)

Securities registered pursuant to Section 12(b) of the Act:
None

Securities registered pursuant to section 12(g) of the Act:
Common Stock, Par Value \$.001 Per Share

Check whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 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 No

Check if there is no disclosure of delinquent filers pursuant to Item 405 of Regulation S-B is not contained in this form, and no disclosure will 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 in any amendment of this Form 10-K. []

The issuer's revenues for the year ended June 30, 2004 were \$ _____

The issuer's Common Stock was not traded on a public exchange or market on August 18, 2004. As a result, no stated market value of the issuer's Common Stock is provided.

(ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Check whether the issuer has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court. Yes No
(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

As of August 18, 2004, the number of Common shares outstanding was 23,280,456

DOCUMENTS INCORPORATED BY REFERENCE

None.

**THE AMERICAN ENERGY GROUP, LTD.
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PART I

ITEMS 1 AND 2 – BUSINESS AND PROPERTIES.

Overview and Subsequent Events

The American Energy Group, Ltd. was, until its calendar 2002 bankruptcy, an independent oil and natural gas company engaged in the exploration, development acquisition and production of crude oil and natural gas properties in the Texas gulf coast region of the United States and in the Jacobabad area of the Republic of Pakistan. While the bankruptcy proceedings were pending, the Texas producing oil and gas leases in Fort Bend County, Texas were foreclosed by the secured lender. Our non-producing Galveston County, Texas oil and gas lease rights were not affected by the foreclosure. In November, 2003, we sold the capital stock of our Hycarbex-American energy, Inc. subsidiary, which held the exploration license in Pakistan, to Hydro Tur (Energy) Ltd., a company organized under the laws of the Republic of Turkey. The Company retained an 18.0% overriding royalty interest in the production which may be derived in the future from drilling operations by Hydro Tur (Energy) Ltd. We emerged from bankruptcy in early 2004 with these two assets intact, but without ongoing business activities other than the maintenance and management of these assets.

Pre-Bankruptcy History

The American Energy Group, Ltd. (formerly Belize-American Corp. International and before that, Dim, Inc.) [hereinafter “Company”] was organized in the State of Nevada on July 21, 1987, as a wholly owned subsidiary of Dimension Industries, Inc. a Utah Corporation (hereinafter “Dimension”). At the time of organization, we issued 1,366,250 shares of voting Common Stock to Dimension, which was the sole stockholder. On April 28, 1989, our form S-18 filed with the Securities and Exchange Commission was declared effective. Dimension distributed the 1,366,250 shares it held to the stockholders of Dimension as a dividend. Also distributed were 1,566,250 warrants to purchase 1 share of voting Common Stock of the Company for each warrant held. The warrant offering expired on August 11, 1989. Exercise of the warrants by shareholders resulted in our issuing 1,547,872 shares of voting Common Stock. In 1987, we engaged in marketing an automobile carburetor modification kit. The efforts were not successful and were abandoned. From 1987 to 1990, we were inactive. In October, 1990, the shareholders approved a one for ten (1:10) reverse split of the voting Common Stock. In June, 1991, we obtained an Oil Prospecting License from the government of Belize. At a special meeting of shareholders, resolutions to change the name of the Company to “Belize-American Corp. International”, forward split the voting Common Stock ten for one (10:1) and a vote to ratify the Oil Prospecting License received a vote of approval.

During 1991, we attempted various means to attract sufficient capital investment to develop the oil prospect in Belize, but we were not successful. The license expired due to our lack of performance. From 1992 until 1994, our activities consisted of attempting to raise capital for a business venture and solicitation of other business enterprises for a possible merger. On September 22, 1994, we entered into an agreement with Simmons Oil Company, Inc., a Texas corporation (hereinafter “Simmons”) whereby we issued 2,074,521 shares of Convertible Voting Preferred Stock to the shareholders of Simmons in order to acquire Simmons and two subsidiaries of Simmons, Simmons Drilling Company and Sequoia Operating Company. The agreement was effective September 30, 1994. Prior to the acquisition of Simmons, Simmons had acquired certain oil and gas properties located in Texas. Subsequent to the acquisition, we acquired additional oil and gas properties in the same general area through subsidiaries.

In April 1995, we acquired all of the outstanding shares of Hycarbex, Inc., a Texas corporation (hereinafter “Hycarbex”) for 120,000 shares of our voting Common Stock, a 1% Overriding Royalty Interest in the revenues generated through the development of Hycarbex’s Pakistan Concession, and an agreement to pay the sole shareholder \$200,000 conditioned upon the success of that development. For accounting purposes, this acquisition was treated as a pooling of interests. We changed the name of Hycarbex, Inc. to Hycarbex-American Energy, Inc. and operated it as a subsidiary until the stock was sold in November of 2003. Hycarbex holds an oil and gas Concession and Exploration License granted by the government of Pakistan in the Sindh Province. The Yasin Concession is comprised of approximately 2,200 square kilometers.

We began producing commercial quantities of oil on our Texas-based properties and emerged from the development stage during the year ended June 30, 1997, during which month, we purchased oil and gas properties comprised of approximately 1,400 acres in Texas which contained several existing producing wells. A program of reworking the existing wells and drilling new wells on these Texas properties ensued from that point. These Texas-

based properties were, at the time, the only source of cash flow from business operations. During 1997, we also acquired by purchase from a bankruptcy trustee, the rights then held by Luck Petroleum Corporation in oil and gas leases comprising approximately 593 acres in Galveston County, Texas. These rights included “after payout” interests in shallow and mid-range horizons held and operated by third parties, as well as interests in the deeper zones below approximately 10,000 feet.

During the year ended June 30, 1998, we drilled our initial well on our Pakistan Concession, the Kharnhak #1, which indicated the presence of high BTU methane gas in the wellbore formations, but which was not completed as a commercial discovery well. During the year ended June 30, 1999, we drilled our second exploration well, the David #1 Well, and due to mechanical difficulties, abandoned it and commenced a substitute exploratory well, the David #1A Well shortly thereafter in the Spring of 1999. The David #1A likewise experienced problems, including the presence of hydrogen sulfide gas. Although both wells encountered gas shows, both were plugged and abandoned as non-commercial. No additional drilling was undertaken during the year ended June 30, 2000, and we obtained an extension from the Pakistan Government to commence a substitute well for the David #1A Well by November 30, 2000, conditioned upon the completion of additional seismic surveys on the acreage. The required seismic surveys were completed and we drilled the Jacobabad No. 3 well in January 2001. While it demonstrated hydrocarbon presence on its analytical logs, it was plugged and abandoned as non-commercial.

During the quarter ended March 31, 2000, we announced our intention to sell our Texas oil and gas leases in order to focus our activities and resources toward the development of our Pakistan concession. On May 9, 2000, we entered into an agreement with Northern Lights Energy, Ltd. to sell our Texas oil and gas leases for \$4,000,000 after considering the relative terms of a number of verbal and written offers from the interested parties. As a result of this contract to sell the assets for \$4,000,000, we recorded a net loss on our books for the year ending June 30, 2000 of \$12,283,248 based, in part, upon the deemed asset impairment loss of \$11,643,262 recorded by us pursuant to SFAS 121 titled “Accounting for the Impairment of Long-Lived Assets”. The asset loss calculation was based upon the difference between the four million dollar sale price and the value previously attributed to those assets on our books. Northern Lights Energy, Ltd. failed to consummate the transaction and we initiated litigation during the quarter commencing October 1, 2000, to cancel the contract, while simultaneously commencing efforts to market the oil and gas leases to alternative prospective purchasers. The Northern Lights Energy, Ltd. litigation was settled in 2001. As part of the settlement, we repaid to Northern Lights, a portion of the funds which Northern Lights had advanced toward the purchase price at the time of the May 2000 agreement and Northern Lights released all claims to the Texas-based oil and gas leases. The source of the repayment of the advance was Zaber Investments, L.L.C., a Texas based company owned by William Aber and Michael Zabransky. For providing these funds, Zaber Investments, L.L.C. was assigned a ten percent (10%) interest in all of the Texas-based leases and drilling equipment. Contemporaneously with this transaction, William Aber became a member of the Board of Directors and an officer of the Company and he served in those capacities until early in calendar 2003. Zaber Investments, L.L.C. reassigned its interests in the Galveston County oil and gas leases to the Company in calendar 2004.

Events Preceding Bankruptcy and During Bankruptcy

After settling the Northern Lights litigation, fervent efforts were made to sell the Texas-based producing oil and gas leases. In January 2002, Georg von Canal was purportedly removed from the Board by certain shareholders constituting a majority, as prescribed by the Company’s bylaws, but which votes did not meet the two-thirds majority required by the Nevada corporate laws. In March 2002, Mr. von Canal filed a lawsuit seeking a judicial declaration as to his rightful management positions in the District Court of Harris County. In April, 2002, the Company entered into a sale agreement with a German concern, Vivus Beiteiligungs-Aktiengesellschaft, which, if closed, would have resolved the operating capital deficiency and the management dispute. The purchaser failed to consummate the transaction and on June 28, 2002, the Company was placed in involuntary Chapter 7 bankruptcy by three (3) creditors, one of which subsequently withdrew and was replaced by Georg von Canal. This proceeding stayed the attempts by the first lien creditor to foreclose on the Texas oil and gas leases and was ultimately converted to a debtor-in-possession Chapter 11 bankruptcy in December 2002. At the request of Mr. von Canal, the Bankruptcy Court permitted the State District Court to proceed with the Georg von Canal lawsuit and on November 13, 2002, the State District Court granted Mr. von Canal’s motion for summary judgment and reinstated his management positions.

Thereafter, efforts continued to sell the Texas-based assets and/or to sell securities of the Company with the permission of the Bankruptcy Court. A contract was negotiated with Global Energy Group, AG, a Swiss company, during January and February 2003, the terms of which provided for convertible debt financing to the Company sufficient to discharge the first lien debt against the Texas oil and gas assets. The purchaser did not perform the

contract and, as a result, the first lien lender foreclosed. These foreclosed assets could no longer be considered for reorganization purposes. Management proceeded to redirect its reorganization efforts to the remaining assets.

In November 2003, the Company reached an agreement with Hydro Tur (Energy) Ltd. to sell to Hydro Tur all of the stock of Hycarbex-American Energy, Inc. in exchange for an 18% royalty and the commitment by Hydro Tur to drill a well by April 16, 2004. The agreement provided for the royalty to be reduced upon certain contingencies, including the failure of Hydro Tur to drill initially a successful discovery well and including the failure by the Company to perform its Second Amended Plan of Reorganization. By amendment dated February 16, 2004, these contingencies were removed in exchange for issuance to Hydro Tur of 1,500,000 restricted shares of Common Stock. The drilling obligation was likewise extended from April 16, 2004 to November 16, 2004.

Office Facilities

The Company relinquished its leased office space in Houston, Texas at 9441 Sam Houston Parkway during the year ended June 30, 2003, and moved its principal office to 115 Hickory Ridge Drive, Houston, Texas 77024. We did not pay a fee for usage of the Hickory Drive address and commencing in July 2004, the principal address was moved to 120 Post Road West, Westport, Connecticut to accommodate the Company's sole officer, Pierce Onthank.

Employees

We did not have any paid employees on June 30, 2004, other than the Directors and Executive Officers, Pierce Onthank and Dr. Iftihar Zahid.

ITEM 3 – LEGAL PROCEEDINGS

We had numerous prepetition suits by creditors based upon nonpayment for services and goods related to our Texas-based oil and gas activities, some of which resulted in judgments. Several of these creditors asserted claims in the bankruptcy proceedings which commenced June 28, 2002, and as a result, received Common Stock in satisfaction of their claims pursuant to the Second Amended Plan of Reorganization, which plan provided for cancellation of all outstanding securities and issuance of new Common Stock to the creditors.

On January 22, 2004, we filed lawsuit in the United States Bankruptcy Court, Southern District of Texas, as an adversary proceeding against Smith Energy 1986-A Partnership, Smith Energy Company, Inc. and Howard Smith. The basis of the lawsuit is a claim for unpaid working interest proceeds claimed by The American Energy Group, Ltd. as the owner of a 15% "after payout" working interest in certain producing zones under our Galveston County, Texas assets. The basis of our claim is that payout may have actually been achieved resulting in a possible wrongful retention of revenues by the named defendants. If successful, we believe that we will recoup proceeds which should have been paid previously as well as obtain a revenue stream from future production from these zones. This lawsuit is pending as of the date of filing of this report.

During the period ended June 30, 2004, the Company's former operating subsidiary, American Energy Operating Corp. ("AEOC"), received notice from the enforcement division of the Railroad Commission of Texas that three (3) abandoned wells in the North Dayton Field previously operated by AEOC years ago are required to be plugged in accordance with Commission procedures and rules. The Company is currently investigating the extent of its responsibilities, if any, to comply with the Commission's demands.

Subsequent to June 30, 2004, the Company was joined in a lawsuit by Alief Independent School District for the collection of alleged unpaid school district taxes on office equipment and personal property for calendar year 2002. The liability claimed by the District for the period is \$_____. The Company is currently investigating the extent of its responsibilities, if any.

ITEM 4 – SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

We did not submit any matters to a vote of security holders during the fourth quarter of the year ended June 30, 2003.

ITEM 5 – MARKET FOR COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

Our Common Stock previously traded on the National Association of Securities Dealers Bulletin Board quotation system under the symbol "AMEL". Although an active trading market for our Common Stock existed prior to bankruptcy, currently our shares are not trading due to our failure to file the annual and quarterly reports for the periods ending September 30, 2002; December 31, 2002; March 31, 2003, June 30, 2003, September 30, 2003; December 31, 2003, and March 31, 2004. These delinquent reports have been filed, but our application on Form 211 to the National Association of Securities Dealers for resumption of trading is pending as of the date of this report. Additionally, our shares are not currently traded because the outstanding securities prior to bankruptcy were cancelled and new Common Stock issued solely to creditors, pursuant to the Second Amended Plan of Reorganization. Upon emergence from bankruptcy, we obtained a new CUSIP number and issued the new share certificates. The number of record holders of the Company's \$0.001 par value Common Stock at August 18, 2004 was forty eight (48). Of the 23,280,456 shares outstanding, 4,500,000 are restricted shares and the balance are unrestricted shares.

To date, the Company has not paid dividends on its shares and we do not anticipate paying dividends.

ITEM 6 – MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Forward-Looking Statements

This report contains statements about the future, sometimes referred to as "forward-looking" statements. Forward-looking statements are typically identified by the use of the words "believe," "may," "will," "should," "expect," "anticipate," "estimate," "project," "propose," "plan," "intend" and similar words and expressions. We intend the forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act. Statements that describe our future strategic plans, goals or objectives are also forward-looking statements.

Readers of this report are cautioned that any forward-looking statements, including those regarding the Company or its management's current beliefs, expectations, anticipations, estimations, projections, proposals, plans or intentions, are not guarantees of future performance or results of events and involve risks and uncertainties, such as:

- . The future results of drilling individual wells and other exploration and development activities;
- . Future variations in well performance as compared to initial test data;
- . Future events that may result in the need for additional capital;
- . Fluctuations in prices for oil and gas;
- . Future drilling and other exploration schedules and sequences for various wells and other activities;
- . Uncertainties regarding future political, economic, regulatory, fiscal, taxation and other policies in Pakistan;
- . Our future ability to raise necessary operating capital.

The forward-looking information is based on present circumstances and on our predictions respecting events that have not occurred, which may not occur or which may occur with different consequences from those now assumed or anticipated. Actual events or results may differ materially from those discussed in the forward-looking statements as a result of various factors, including the risk factors detailed in this report. The forward-looking statements included in this report are made only as of the date of this report. We are not obligated to update such forward-looking statements to reflect subsequent event or circumstances.

Overview

Prior to the Company's bankruptcy proceedings, we were an active oil and gas exploration and development company. The foreclosure of our Fort Bend County, Texas oil and gas leases by the secured creditor in early calendar 2003 resulted in the loss of our only revenue producing asset. We intend to initiate new business activities by prudent management of our Pakistan overriding royalty interest and our Galveston, Texas interests and if we are successful in generating working capital from these investments or from sales of securities, we intend to pursue investment opportunities in the oil and gas business.

Results of Operations

Our operations for the period ending June 30, 2004 reflected a net loss of \$_____ on revenues derived solely from the placement of convertible debt authorized by the Bankruptcy Court. All of our producing oil and gas leases were foreclosed by the first lien lender in early calendar 2003. As a result, the Company is again a development stage company as it emerges from bankruptcy, solely dependent upon cash infusion from the sale of securities and loans until business operations which generate an income stream can be developed. As a result of the loss of these cash producing assets, we have purposely omitted a detailed discussion of operational results and their ramifications.

Liquidity and Capital Resources

Our recent history of a lack of liquidity and adequate capital resources was the primary reason that the Company reorganized through bankruptcy proceedings. Our operating company, The American Energy Operating Corp. did not participate in the bankruptcy proceedings and its accounts payable and accrued liabilities totaling \$289,588 are still carried on our books post-bankruptcy, despite the inactivation of the subsidiary. The sale of our other subsidiary, Hycarbex American Energy, Inc., carried with it the assets and liabilities of the subsidiary, including prepaid restricted deposits in Pakistan of \$1,116,822 which would have been forfeited with the loss of the exploration license had the subsidiary not been sold. This restricted cash is not reflected in the cash assets subsequent to the sale.

Since emerging from bankruptcy, we have been funded solely through the private sale of convertible debt securities totaling \$550,000 pursuant to Second Amended Plan of Reorganization, which if such securities are converted, will increase the outstanding Common shares by 2,750,000 shares. This is our only current source of capital. On a going forward basis, we believe that we will have sufficient cash assets to meet our needs into the first calendar quarter of 2005, but the need for additional operating capital after that time will require an infusion of cash through loans, sales of securities, a sale or partial sale of the Galveston County, Texas assets or successful resolution of the Smith Energy litigation. Successful drilling on the Pakistan Concession by Hydro Tur (Energy) Ltd. will also result in the generation of operating capital once sales into the existing pipeline infrastructure begin. However, there can be no assurance that we will be successful in obtaining sufficient operating capital to meet future needs from any of these potential sources.

In light of our current lack of revenue-generating business operations and our need to further capitalize future overhead, operations and growth, our viability as a going concern is uncertain. There can be no assurance that we will be successful in our efforts to improve the Company's financial position and to develop its assets.

Business Strategy and Prospects

We believe that there have been positive developments resulting from the bankruptcy proceedings. We have eliminated the Company's debt burden, diminished its labor force and significantly reduced all facets of general and administrative overhead. The cancellation and reissuance of new securities have reduced the outstanding shares from over sixty six million shares to just over twenty three million shares, a number which both permits the issuance of additional securities in the future as needed to obtain strategic assets or funding from investors, and which provides an opportunity for enhanced shareholder value if the current assets become cash generating assets. However, the Company does not currently enjoy a revenue stream from any business operation or asset. We must continue to raise operating capital through other means until a revenue stream is developed, if at all.

Pakistan Overriding Royalty

The Company, through its Hycarbex subsidiary (before the sale of that subsidiary) expended in excess of \$10,000,000.00 on drilling and seismic on the Jacobabad and Yasin concessions in the Republic of Pakistan comprised of over 2,200 square kilometers. The structure, to date, has no Proved Reserves as that term and the calculation for discounted future net cash flows for reporting purposes is mandated by the Financial Accounting Standards Board in Statement of Financial Accounting Standards No. 69, titled "Disclosures About Oil and Natural Gas Producing Activities". While we did not obtain a commercial discovery well in any of our previous Pakistan drilling efforts, we have been encouraged by the technical data derived from the drilling and seismic activities. We believe that the concession acreage contains oil and gas producing physical structures which are worthy of further exploration. If successfully developed, our reserved 18% overriding royalty interest would likely be a good source of cash revenues

because the royalty, by its nature, entitles us to share in gross, rather than net, production. These revenues, if any, could be used by the Company for further investment in other revenue generating assets or business activities. The financial risks inherent in oil and gas drilling in Pakistan will no longer be borne by the Company because an overriding royalty interest is not subject to such costs. While successful production and favorable hydrocarbon prices are necessary for the overriding royalty interest to demonstrate real value, we are optimistic that the additional seismic and technical data generated by the Company prior to sale and further expanded and refined after the sale by Hydro Tur (Energy) Ltd. will enhance the chances of a commercial discovery by Hydro Tur (Energy) Ltd. Under the terms of the stock purchase agreement with the Company, Hydro Tur (Energy) Ltd. is required to commence its initial well prior to November 16, 2004. However, absent successful drilling by Hydro Tur (Energy) Ltd., the reserved overriding royalty interest is likely to have little or no value.

Galveston County, Texas Leases

In 1997, we purchased the interests of Luck Petroleum Corporation from its bankruptcy trustee in two oil and gas leases in Galveston County, Texas. The leases are situated in an area which is productive in multiple zones or horizons and the leases themselves have produced commercial quantities of oil and gas from both shallow and mid-range zones. In 1986, Luck Petroleum Corporation assigned these mid-range zones to Smith Energy, reserving for itself an “after-payout” 15% back-in working interest. Luck Petroleum Corporation also limited the depths assigned to Smith Energy, thereby resulting in depths generally greater than 10,000 feet being reserved to Luck Petroleum Corporation. We succeeded to the interests of Luck Petroleum Corporation as a result of the 1997 purchase from the bankruptcy trustee. With regard to the mid-range zones, our research to date has given rise to the belief that “payout” has occurred, as defined in the 1986 conveyance by Luck Petroleum Corporation to Smith Energy. If we are correct, then we are entitled to receive 15% of the monthly working interest production from the existing Smith Energy wells on the leases. As indicated in this report, we have initiated a lawsuit against Smith Energy to establish these rights.

The Smith Energy lawsuit does not pertain to the deep zones under the leases which were acquired from Luck Petroleum Corporation. Based upon our research, we believe that these zones have development potential. We are exploring the various opportunities to realize value from these deep rights, including potential sale. We have not yet determined the best course for these assets. These leases are held in force by third party production and, therefore, the leases do not require development of these rights by a certain date. We believe that we will be able to continue our research and conduct future negotiations toward a development path which best suits our goals and our cash flow position. We are compelled to focus on these efforts for the near term in order to generate additional working capital.

ITEM 7-FINANCIAL STATEMENTS

The consolidated financial statements required to be filed pursuant to this item 7 begin on Page F-1 of this report. Such consolidated financial statements are hereby incorporated by reference into this Item 7. The Supplementary Data requirement as set forth in Item 302 of Regulation S-K is inapplicable to the Company.

ITEM 8-CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

We have neither changed or had disagreements with our accountants regarding accounting and financial disclosure.

ITEM 8A-CONTROLS AND PROCEDURES

In conjunction with this Annual Report on Form 10-KSB and the certification of the disclosures herein, the Company’s principal executive officer and principal financial officer, Pierce Onthank, evaluated the effectiveness of the Company’s disclosure controls and proceedings. This review, which occurred within ninety (90) days prior to the filing of this Annual Report, found the disclosure controls and procedures to be effective. There have been no significant changes in the Company’s internal controls or in other factors which would significantly affect these controls subsequent to the evaluation by Mr. Onthank.

PART III

ITEM 9-DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

The directors and executive officers of the Company at June 30, 2004, included the following persons, each of whom serves on the audit committee of the Company:

Pierce Onthank, age 44, serves as President, Secretary and one of two Directors of the Company. Mr. Onthank is currently the sole officer and succeeds Georg von Canal, William Aber and Dean Smith in that regard. Mr. Onthank received a BA in economics from Denison University. He served as the investment broker for the Company from 1998 until 2001. In addition to raising millions of dollars for American Energy Group Ltd., he has specialized in oil and gas investments for his previous clients. With over 20 years of experience in the securities business, Mr. Onthank has held senior positions in investment banking firms and has managed high yield net worth and institutional portfolios. Mr. Onthank began his career in the Merrill Lynch training program and subsequently became a limited partner with Bear Stearns. Later he became a Senior Vice President at Drexel Burnham Lambert, where his primary responsibilities were to manage the private client group, which was involved in both public and private investments for individual and institutional accounts. Mr. Onthank moved on to serve as a Senior Vice President at Paine Webber and later at Smith Barney Shearson where he managed the investments of institutional and individual clients. Before becoming President of American Energy Group Ltd. he co-founded Crary Onthank & O'Neill, an Investment Banking Company, in 1998.

Dr. Iftikhar Zahid, age 45, serves as the remaining Director of the Company. Dr. Iftikhar Zahid was educated at The Dow Medical College, Karachi University in 1979. In 1981, he joined the police services of Pakistan. In 1988, he resigned from governmental services as a Superintendent of Police. Between 1988 and 1996, Dr. Zahid served as an advisor and consultant to several multi-national organizations doing business in Pakistan. In 1996, Dr. Zahid joined the Company as a Resident Director/Country Manager of the Pakistan Office of Hycarbex-American Energy, Inc. In June 2001, he was promoted to Vice-President and Resident Director and joined the international board of The American Energy Group Ltd. as a director. Since the sale of Hycarbex-American Energy Inc. by the Company, Dr. Zahid has been managing the Company's 18% royalty interest in the Yasin Block.

The Company believes that for the year ended June 30, 2004, its officers and directors have complied with all filing requirements under Section 16(a) of the Securities Exchange Act of 1934. The filing of the Form 5 for each such officer and director was filed after the due date.

Code of Ethics

The Company has adopted a Code of Ethics that is applicable to all employees of the Company and, in particular, to its senior officers. A copy of the Code of Ethics may be obtained from the Company without charge by writing to the Company at The American Energy Group, Ltd., 120 Post Road West, Suite 202, Westport, Connecticut 06880.

ITEM 10-EXECUTIVE COMPENSATION

There was no executive compensation paid by the Company between July 1, 2003, and January 31, 2004. Commencing February, 2004, Pierce Onthank and Dr. Iftikhar Zahid began receiving a \$10,000 per month salary. Commencing April 2004, the Onthank salary was adjusted to \$16,000 and the Zahid salary was adjusted to \$15,000. The resulting totals for the period ending June 30, 2004, are \$68,000 paid to Pierce Onthank and \$65,000 paid to Dr. Iftikhar Zahid.

ITEM 11-SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Each of Pierce Onthank and Dr. Iftikhar Zahid were issued for officer and directors services rendered, 1,500,000 restricted Common shares during the period ended June 30, 2004. Neither individual owned at the time or has since acquired any other securities of the Company.

ITEM 12-CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

For the period ended June 30, 2004, there were no related transactions.

PART IV

ITEM 13-EXHIBITS AND REPORTS ON FORM 8-K

(a) The following documents are filed as Exhibits to this report:

Exh. 23.1 – Consent of Independent Auditor;

Exh. 31.1 – Certification by R. Pierce Onthank, President and acting chief financial and accounting officer pursuant to Rule 13a-14(a) or Rule 15d-14(a);

Exh. 32.1 – Certification by R. Pierce Onthank, President and acting chief financial and accounting officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, Section 1350(a) and (b).

(b) No reports on Form 8-K were filed during the period ended June 30, 2004.

ITEM 14-PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

Audit fees billed by the Company's Principal Accountant total \$13,000 as of the date of this report.

Audit Related Fees

There have been no audit related fees billed by the Company's Principal Accountant as of the date of this report.

Tax Fees

There have been no tax fees billed by the Company's Principal Accountant as of the date of this report.

All Other Fees

There have been no other fees billed by the Company's Principal Accountant as of the date of this report.

The Registrant's audit committee is comprised solely of its Board of Directors.

SIGNATURES

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

THE AMERICAN ENERGY GROUP, LTD.
(REGISTRANT)

By: /s/ R. Pierce Onthank

R. Pierce Onthank, President, Secretary, Director
and acting Chief Financial Officer

By: /s/ Dr. Iftihhar Zahid
Dr. Iftikhar Zahid, Director

DATED: _____, 2004

**THE AMERICAN ENERGY GROUP, LTD.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2003 and 2002

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INDEPENDENT AUDITORS' REPORT

[TO BE PROVIDED]

Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the use of our report for the years ended June 30, 2004 , dated _____, 2004, in the Form 10-KSB for The American Energy Group, Ltd.

Chisholm, Bierwolf & Nilson
Bountiful, Utah

_____, 2004

Exhibit 31.1

CERTIFICATION

I, R. PIERCE ONTHANK, President and acting chief financial and accounting officer of The American Energy Group, Ltd., certify that:

1. I have reviewed this Annual Report on Form 10-KSB for the fiscal year ended June 30, 2004 of The American Energy Group, Ltd..
2. Based on my knowledge, this 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 report.

3. Based on my knowledge, the financial statements, and other financial information included in this 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 report;

4. I am the registrant's sole certifying officer and I am responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

- a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure the material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
- b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our 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
- c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. I am the registrant's sole certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of 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.

6. I am the registrant's sole certifying officer and I have indicated in this annual report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: _____, 2004

Printed Name: R. PIERCE ONTHANK
President (chief executive) and acting chief financial and
accounting officer

EXHIBIT 32.1

**THE AMERICAN ENERGY GROUP, LTD.
CERTIFICATION PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

Pursuant to the requirements of Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Sections 1350(a) and (b)), the undersigned hereby certifies as follows:

1. I am the President, chief executive officer and acting chief financial and accounting officer of The American Energy Group, Ltd. (the "Corporation").
2. To the best of my knowledge:
 - (a) The Corporation's June 30, 2004 Form 10-KSB filed with the Securities and Exchange Commission (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"); and
 - (b) The information in the Report fairly presents, in all material respects, the financial condition and results of operations of the Corporation.

DATED: _____, 2004

By: _____/S/
R. Pierce Onthank
President (chief executive officer) and
acting chief financial and accounting officer