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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
 FOR FISCAL YEAR ENDED JUNE 30, 2005
- TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF SECURITIES EXCHANGE ACT OF
 1934 FOR THE TRANSITION PERIOD FROM ____ TO ____

Commission file number: 0-22149

THE AMERICAN ENERGY GROUP, LTD.
 (Name of small business issuer in its charter)

Nevada	87-0448843
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
120 Post Road West, Suite 202 Westport, Connecticut	06880
(Address of principal executive offices)	(Zip code)

(Issuer's telephone number 203/222-7315)

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

Securities registered under 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 to this Form 10-KSB.

Indicate by check mark whether the registrant is a shell company (as defined in
 Rule 12b-2 of the Exchange Act).

Yes No

The issuer had no revenues for the year ended June 30, 2005.

The aggregate market value of the voting and non-voting common equity held by
 non-affiliates computed by reference to the average bid and asked price of such
 common equity as of May 2, 2005 was \$23,897,997.

(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 October 3, 2005, the number of Common shares outstanding was 27,139,584

DOCUMENTS INCORPORATED BY REFERENCE - None

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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. We emerged from bankruptcy in early 2004 with these two assets intact and with our sole business being the maintenance and management of these assets.

Office Facilities

In July 2004, the principal address was moved to 120 Post Road West, Suite 202, Westport, Connecticut. The office space is on a month-to-month lease providing for monthly rental of \$1,170.25. For the year ending June 30, 2005, office rentals totaled \$15,796.25.

Employees

We did not have any paid employees on June 30, 2005, other than the Directors and Executive Officers, Pierce Onthank and Dr. Iftihhar Zahid. Director, Karl Welser, who was appointed in June, 2005, does not currently receive a salary or other Director compensation.

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 solely 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 was 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. This lawsuit was voluntarily dismissed in order to facilitate a refiling outside of the bankruptcy court venue. We anticipate a filing in a state court venue in the fiscal year commencing July 1, 2005.

Due to the fact that the Company's subsidiary, The American Energy Operating Corp. ("AEOC"), was not a party to the bankruptcy proceedings initiated June 28, 2002, the accounts payable attributed to the subsidiary were carried on the Company's books into the current fiscal year, even though this subsidiary is inactive. During the period ended June 30, 2004, 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 many years ago are required to be plugged in accordance with Commission procedures and rules. The plugging costs are potentially very high. These uncertain plugging costs, together with the high liabilities carried on the Company's books related to AEOC's prior operations on the Fort Bend County, Texas oil and gas leases (which were foreclosed in 2003), formed the basis for AEOC to file for a voluntary Chapter 7 bankruptcy liquidation on April 14, 2005 in the Southern District of Texas, Houston Division in Cause No. 05-35757. We believe that eliminating the negative financial impacts and potential impacts caused by this totally inactive subsidiary will be positive for the Company.

After the commencement of the current fiscal year, 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 \$6,099.05 excluding court costs and interest. The Company's prior bankruptcy proceedings did not affect this liability and therefore the debt was paid subsequent to the end of the current fiscal year.

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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, 2005.

ITEM 5 - MARKET FOR COMMON EQUITY AND RELATED SHAREHOLDER MATTERS

Our Common stock is traded on the over-the-counter bulletin board under the symbol AEGG. The quotations reflect inter-dealer prices without retail mark-up, mark-down or commission and may not represent actual transactions. The trading market began during the quarter ending December 31, 2004, and the low and high prices for that quarter were \$0.20 and \$1.01, respectively. For the quarter ending March 31, 2005, the low and high prices were \$0.75 and \$1.50, respectively. For the quarter ending June 30, 2005, the low and high prices were \$0.46 and \$3.24, respectively.

During the quarter we issued 250,000 restricted shares to Brian Perry for website consulting services performed in calendar 2004 and to be performed in 2005. At the time of his consulting agreement, the stock had no trading value.

During the quarter ending March 31, 2005, we issued 35,760 shares to B.W. Fishing Tools, Inc. ("BWFT"), an original creditor in the Company's prior bankruptcy proceedings. In those proceedings, each creditor was issued stock for its debt on a three shares for one dollar of debt basis pursuant to the Second Amended Plan of Reorganization. In the case of BWFT, its stock issuance was inadvertently omitted and the issuance of the 35,760 shares corrects the omission.

On April 27, 2005, we filed a Form S-8 registration statement to register 2,000,000 shares for potential issuance to third party consultants who qualify under the Company's 2005 Consultant Equity Participation Plan. We believe that this plan will facilitate the Company's ability to acquire valuable third party services with Company stock rather than cash assets, thereby preserving cash assets for other critical needs. Under this plan, we issued during the fourth quarter 17,620 shares to Consultant, Clay Mahaffey for stock valuation research, and 26,000 shares to Consultant, David Wenger, for shareholder research

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

On April 12, 2005, each of Pierce Onthank and Iftikhar Zahid were issued 1,000,000 warrants to purchase Common shares. The warrants are exercisable during the five year period ending April 12, 2010 and contain cashless exercise provisions. One half of the warrants are exercisable as of April 12, 2005, their issuance date, at an exercise price of \$0.75. Commencing October 13, 2005, 250,000 warrants are exercisable at \$1.00 per share and commencing January 12, 2006, 250,000 warrants are exercisable at \$1.50 per share.

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Equity Compensation Plan Information			
<S>	<C>	<C>	<C>
Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
	(a)	(b)	(c)
Equity compensation plans approved by security holders			
Equity compensation plans not approved by security holders	2,000,000 Common	\$1.00	-0-
Total			

</TABLE>

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 initiated on June 28, 2002, 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.

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Drilling of the first well in Pakistan as to which our overriding royalty pertains, named the Haseeb No. 1 Well, was successfully completed in the fourth quarter of the current fiscal year. All testing to date indicates that the Haseeb No. 1 well will be a significant commercial gas well and such gas sales are expected to begin during the quarter ending March 31, 2006. Additional wells are currently planned by Hycarbex-American Energy, Inc., the operating entity holding the exploration license.

Results of Operations

Our operations for the period ending June 30, 2005 reflected a net loss of \$694,264 attributable to salaries paid to the directors, legal and professional fees, office overhead, and administrative expense. There were no revenues from operations and our sole business during the fiscal year consisted of management of our Pakistan and Texas assets. All of our previously owned producing oil and gas leases were foreclosed by the first lien lender in early calendar 2003. As a result, subsequent to emerging from bankruptcy, the Company had no recurring income stream and was solely dependent upon cash infusion from the sale of securities and loans. The loans and securities sales which occurred during the fiscal year and subsequent to the end of the fiscal year have been used and will continue to be used to finance salaries, legal expenses and nominal administrative overhead until the revenues from gas sales from the successful Haseeb No. 1 Well begin. These gas sales are expected to begin during the quarter ending March 31, 2006.

Our prior operating company, The American Energy Operating Corp. did not participate in the bankruptcy proceedings and its accounts payable and accrued liabilities were carried on our books post-bankruptcy, despite the inactivation of the subsidiary. On April 14, 2005, Chapter 7 bankruptcy proceedings were initiated for The American Energy Operating Corp. in the Southern District of Texas with the intended purpose of liquidating this inactive subsidiary and eliminating these liabilities from the books of the Company.

Liquidity and Capital Resources

Since emerging from bankruptcy, we have been funded through the private sale of convertible debt securities totaling \$575,000 pursuant to Second Amended Plan of Reorganization, all of which has been converted to Common stock. During the fiscal year ending June 30, 2005, we obtained a loan facility from a private party for \$300,000 for near term operating capital, the terms of which are accrual of interest at Wall Street Prime plus one percent, no prepayment penalty, and a maturity of one year, with the right to extend the maturity for an additional year by the payment of an extension fee of \$20,000. The loan agreement originally provided for a \$200,000 loan, but was amended twice to increase the available principal under the loan to \$300,000.00, of which \$292,000.00 is currently outstanding. We likewise obtained from a private party a separate \$25,000 loan due and payable December 31, 2005, and which was to accrue interest at JP Morgan Chase Bank Prime plus three percent. This \$25,000 loan was converted to 50,000 warrants at an exercise price of \$1.75 after the end of the fiscal year.

Subsequent to the end of the fiscal year, we raised \$130,000.00 (including the \$25,000 loan referenced in the preceding paragraph) through the placement with private parties of 260,000 warrants to purchase our Common Stock. The warrants have a three year term and provide for the purchase of the stock during the term, if exercised, at a price of \$1.50 per share as to 160,000 warrants, and a price of \$1.75 per share as to 100,000 warrants. Also subsequent to the end of the fiscal year we obtained a commitment from an existing shareholder to purchase 122,222 Common shares at \$0.90 per share, or a total of \$110,000.00. We anticipate that the capital obtained from these transactions will provide sufficient working capital through early calendar 2006. If the gas sales from Haseeb No. 1 begin in 2006 as expected, we may be able to rely upon actual production revenues for future working capital needs. However, there can be no assurance that the gas sales will begin at the time anticipated and we may require additional operating capital to meet future needs.

During the fourth quarter of the current fiscal year, we registered 2,000,000 Common shares on a Form S-8 Registration Statement for issuance to key consultants to the Company. We anticipate that some critical services rendered by third party consultants during the 2006 fiscal year will be paid with Common Stock, instead of cash 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-seven 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, as anticipated.

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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 announced the success of the Haseeb No. 1 well drilled in the fourth quarter of the current year based upon all available test results. We further announced subsequent to the end of the current year the completion of 110 kilometers of additional seismic research by Hycarbex-American Energy, Inc. which should provide valuable data for selection of the next well on the concession expected to be drilled prior to the end of the first quarter of calendar 2006. We strongly 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 will 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 are expected to 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 continuous production and favorable hydrocarbon prices are necessary for the overriding royalty interest to demonstrate real value, we are optimistic that the recent successful drilling of the Haseeb No. 1 Well, the proximity of a pipeline for gas sales and the additional seismic and technical data collected will enhance the chances of continued success on the concession despite the customary risks inherent with oil and gas drilling in general.

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. Based upon our research, we believe that the deeper zones also 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.

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.

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ITEM 8B-OTHER INFORMATION

None.

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, 2005, included the following persons, each of whom serves on the audit committee of the Company:

Pierce Onthank, age 45, 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 Cray Onthank & O'Neill, an Investment Banking Company, in 1998.

Dr. Iftikhar Zahid, age 47, serves as a 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.

Karl Welser, age 51, serves as a Director of the Company. Mr. Welser has been actively involved in private real estate and finance ventures since 1999. After attending business school in Zurich, Mr. Welser joined Bank J. Vontobel in 1971 which specialized in private financial management. In the late 1970s Mr. Welser attended the Zurich Management School where he obtained his Economist KSZH degree. From 1980 through 1998, while employed at Zurcher Kantonalbank, Bankinstitut and UBS in Zurich, Switzerland, respectively, Mr. Welser's primary activities included analysis of the securities markets.

The Company believes that for the year ended June 30, 2005, 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, 2005,

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are \$192,000 paid to Pierce Onthank and \$ 180,000 paid to Dr. Iftikhar Zahid. On April 12, 2005, each of Pierce Onthank and Iftikhar Zahid were issued 1,000,000 warrants to purchase Common shares. The warrants are exercisable during the five year period ending April 12, 2010 and contain cashless exercise provisions. One half of the warrants are exercisable as of April 12, 2005, their issuance date, at an exercise price of \$0.75. Commencing October 13, 2005, 250,000 warrants are exercisable at \$1.00 per share and commencing January 12, 2006, 250,000 warrants are exercisable at \$1.50 per share. Director Karl Welser receives no compensation for serving as a Director.

ITEM 11-SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Pierce Onthank and Dr. Iftikhar Zahid each own 1,500,000 Common shares and 1,000,000 warrants to purchase Common shares. The warrants are exercisable during the five year period ending April 12, 2010 and contain cashless exercise provisions. One half of the warrants are exercisable as of April 12, 2005, their issuance date, at an exercise price of \$0.75. Commencing October 13, 2005, each gentleman may exercise another 250,000 warrants at \$1.00 per share and commencing January 12, 2006, each gentleman may exercise the remaining 250,000 warrants at \$1.50 per share. Karl Welser holds 159,000 shares of the Company's Common Stock purchased prior to becoming a Director.

ITEM 12-CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

For the period ended June 30, 2005, 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, 2005.

ITEM 14-PRINCIPAL ACCOUNTANT FEES AND SERVICES

Audit Fees

Audit fees billed by the Company's Principal Accountant were \$16,000.00 during the year ended June 30, 2005.

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.

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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 Chief Financial Officer

By:/s/ Dr. Iftihhar Zahid

Dr. Iftikhar Zahid, Director

By:/s/ Karl Welser

Karl Welser, Director

DATED: October 13, 2005

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THE AMERICAN ENERGY GROUP, LTD.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2005 and 2004

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Shareholders of
The American Energy Group, Ltd. and Subsidiaries
Westport, CT.

We have audited the accompanying consolidated balance sheets of The American Energy Group, Ltd. and Subsidiaries as of June 30, 2005 and 2004 and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended June 30, 2005, 2004 and 2003. 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 conducted our audits in accordance with the 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of The American Energy Group, Ltd. and Subsidiaries as of June 30, 2005, 2004 and the consolidated results of their operations and their cash flows for the years ended June 30, 2005, 2004 and 2003, in conformity accounting principles generally accepted in the United States of America.

Chisholm, Bierwolf & Nilson, LLC
Bountiful, Utah
October 13, 2005

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Consolidated Statements of Operations

<TABLE>
<CAPTION>

	For the Years Ended June 30,		
	2005	2004	2003
<S> Revenue	<C>	<C>	<C>
Oil and gas sales	\$ -	\$ -	\$ 357,062
Total Revenue	-	-	357,062
Expenses			
Lease operating and production costs	-	-	118,389
Penalties	-	-	262,581
Legal and professional	180,550	-	100,423
Depreciation and amortization expense	246	-	351,652
Other general and administrative	513,468	273,323	1,089,598
Total Expenses	694,264	273,323	1,922,643
Net Operating Loss	(694,264)	(273,323)	(1,565,581)
Other Income (Expenses)			
Loss on sale of investment in subsidiary	-	(621,234)	-
Gain on settlement of debt (Note 2)	-	-	-
Interest income	-	-	9,765
Interest expense	(12,406)	(5,480)	(110,228)
Total Other Income (Expenses)	(12,406)	(626,714)	(100,463)
Income (loss) before Reorganization Items and Income Taxes	(706,670)	(900,037)	(1,666,044)
Reorganization (Expenses)			
Loss on foreclosure of properties and assets	-	-	(3,813,506)
Loss on abandonment of leases	-	-	(9,226,614)
Legal fees	-	(28,352)	(205,292)
Total Reorganization (Expenses)	-	(28,352)	(13,245,412)
Net Loss	\$ (706,670)	\$ (928,389)	\$ (14,911,456)
Basic Loss per Common Share	\$ (0.03)	\$ (0.04)	\$ (0.22)
Weighted Average Number of Shares Outstanding	25,319,754	23,528,518	66,318,037

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Consolidated Statements of Stockholders' Equity
For the Years Ended June 30, 2005, 2004 and 2003

<TABLE>
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	Common Stock		Convertible Voting Preferred Stock		Capital In Excess of Par Value	Accumulated Deficit
	Shares	Amount	Shares	Amount		
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance, June 30, 2002	66,318,037	66,318	41,499	42	37,763,777	(28,295,121)
Net (loss) for the year ended June 30, 2003	-	-	-	-	-	(14,911,456)
Balance, June 30, 2003	66,318,037	66,318	41,499	42	37,763,777	43,206,577
January 2004, reorganization adjustment	(66,318,037)	(66,318)	(41,499)	(42)	(36,728,088)	42,394,170
January 2004, new shares issued pursuant to bankruptcy settlement	18,898,518	18,899	-	-	(18,899)	-
February 2004, shares issued for royalty interest at par value	1,500,000	1,500	-	-	-	-
February 2004, shares issued for services at \$0.03 per share	3,000,000	3,000	-	-	97,000	-
June 2004, shares issued for convertible debt at \$0.15 per share	1,300,000	1,300	-	-	198,700	-
Net (loss) for the year ended June 30, 2004	-	-	-	-	-	(928,389)
Balance, June 30, 2004	24,698,518	24,699	-	-	1,312,490	(1,740,796)
July 2004, new shares issued for services at \$0.10 per share	250,000	250	-	-	24,750	-
December 2004, new shares issued for services at \$0.32 per share	76,520	77	-	-	24,923	-
December 2004, shares issued for convertible debt at \$0.20 per share	1,932,482	1,932	-	-	384,564	-
March 2005, new shares issued for services at \$1.25 per share	26,000	26	-	-	32,474	-
March 2005, new shares issued pursuant to bankruptcy settlement	35,760	36	-	-	(36)	-
June 2005, new shares issued for services at \$0.33, \$1.05, \$1.12, \$2.08 & \$1.80 per share	120,304	120	-	-	81,380	-
Net (loss) for the year ended June 30, 2005	-	-	-	-	-	(706,670)
Balance, June 30, 2005	27,139,584	\$ 27,140	-	\$ -	\$ 1,860,545	(2,447,466)

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows

<TABLE>
<CAPTION>

	For the Years Ended June 30,		
	2005	2004	2003
<S> Cash Flows from Operating Activities	<C>	<C>	<C>
Net loss	\$ (706,670)	\$ (928,389)	\$ (14,911,456)
Adjustments to reconcile net loss to net cash provided (used) by operating activities:			
Depreciation and amortization	246	-	351,652
Less amount capitalized to oil and gas properties	-	-	(4,784)
Common stock issued for services rendered	114,940	100,000	-
(Gain) loss on sale/disposal of asset	-	-	13,040,120
(Gain) loss on investment	-	621,234	8
Note payable exchanged for liabilities	-	-	25,000
Liabilities reduced on foreclosed properties	-	-	97,329
Changes in operating assets and liabilities:			
(Increase) decrease in prepaid expenses	(20,000)	(35,000)	-
(Increase) decrease in receivables	-	-	87,360
(Increase) decrease in other current assets	-	-	15,022
(Increase) decrease in deposits	-	-	8,491
Increase (decrease) in accounts payable	17,632	10,737	(4,009)
Increase (decrease) in accrued liabilities and other current liabilities	22,466	(88,018)	946,460
Net Cash Provided (Used) by Operating Activities	(571,386)	(319,436)	(348,807)
Cash Flows from Investing Activities			
Cash disposed of in sale of subsidiary	-	(1,121,881)	-
Proceeds from sale of assets	-	-	140,000
Expenditures for oil and gas property development	-	-	(59,920)
Expenditures for other property and equipment	(3,286)	-	-
Net Cash Provided (Used) by Investing Activities	(3,286)	(1,121,881)	80,080
Cash Flows from Financing Activities			
Proceeds from notes payable and long-term liabilities	-	-	75,081
Proceeds from convertible debt	317,000	575,000	-
Payments on notes payable and long-term liabilities	-	-	(726)
Net Cash Provided by Financing Activities	317,000	575,000	74,355
Net Increase (Decrease) in Cash	(257,672)	(866,317)	(194,372)
Cash and Cash Equivalents at Beginning of Year	257,899	1,124,216	1,318,588
Cash and Cash Equivalents at End of Year	\$ 227	\$ 257,899	\$ 1,124,216

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Consolidated Statements of Cash Flows (Continued)

<TABLE>
<CAPTION>

	For the Years Ended June 30,		
	2005	2004	2003
<S>	<C>	<C>	<C>
Cash Paid for:			

Interest	\$ -	\$ -	\$ 1,586
Income taxes	\$ -	\$ -	\$ -
Non-Cash Financing Activities:			

Common stock issued in satisfaction of accounts payable	\$ 12,500	\$ -	\$ -
Common stock issued for services rendered	\$ 114,940	\$ 100,000	\$ -
Common stock issued for prepaid services	\$ 36,560	\$ -	\$ -
Note payable exchanged for liabilities	\$ -	\$ -	\$ 25,000
Common stock issued for royalty interest	\$ -	\$ 1,500	\$ -
Common stock issued for accrued interest on debt	\$ 11,496	\$ 1,500	\$ -
Common stock issued for convertible debt	\$ 375,000	\$ 200,000	\$ -

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies

a. Organization

The American Energy Group, Ltd. (the Company) was incorporated in the State of Nevada on July 21, 1987 as Dimension Industries, Inc. Since incorporation, the Company has had several name changes including DIM, Inc. and Belize-American Corp. Internationale with the name change to The American Energy Group, Ltd. effective November 18, 1994.

Effective September 30, 1994, the Company entered into an agreement to acquire all of the issued and outstanding common stock of Simmons Oil Company, Inc. (Simmons), a Texas Corporation, in exchange for the issuance of certain convertible voting preferred stock (see Note 5). The acquisition included wholly owned subsidiaries of Simmons, Sequoia Operating Company, Inc. and Simmons Drilling Company, Inc. The acquisition was recorded at the net book value of Simmons of \$1,044,149 which approximates fair value.

During the year ended June 30, 1995, the Company incorporated additional subsidiaries including American Energy-Deckers Prairie, Inc., The American Energy Operating Corp., Tomball American Energy, Inc., Cypress-American Energy, Inc., Dayton North Field-American Energy, Inc. and Nash Dome Field-American Energy, Inc. In addition, in May 1995, the Company acquired all of the issued and outstanding common stock of Hycarbex, Inc. (Hycarbex), a Texas corporation, in exchange for 120,000 shares of common stock of the Company, a 1% overriding royalty on the Pakistan Project (see Note 2) and a future \$200,000 production payment if certain conditions are met. The acquisition was accounted for as a pooling-of-interests on the date of the acquisition. The fair value of the assets and liabilities assumed approximated the fair value of the 120,000 shares issued of \$60,000 as of the date of the acquisition. Accordingly, book value of the assets and liabilities assumed was \$60,000. In April 1995, the name of that company was changed to Hycarbex-American Energy, Inc. The American Energy Group, Ltd., The American Energy Operating Corp. and Hycarbex-American Energy, Inc., were the only operating entities during the years ended June 30, 2005 and 2004. The Company and its subsidiaries were principally in the business of acquisition, exploration, development and production of oil and gas properties.

On June 28, 2002, the Company was placed into involuntary Chapter 7 bankruptcy by three creditors, including Georg von Canal, an officer and director who was then involved in litigation with the Company to invalidate an attempt to remove him from his management positions. The bankruptcy filing followed an unsuccessful effort by management to resolve both the litigation and the need for a substantial cash infusion through a stock sale to a German-based investor which would have simultaneously resulted in a restructure of management. Shortly after this bankruptcy filing, the secured creditor holding a first lien on the Company's only producing oil and gas leases in Fort Bend County, Texas, sought permission from the bankruptcy court to foreclose on those assets. The Company responded by converting the Chapter 7 bankruptcy court to foreclose on those assets. The Company responded by converting the Chapter 7 bankruptcy proceedings to a Chapter 11 reorganization proceeding. The company obtained approval of a plan or reorganization in September 2002, but the secured creditor was nevertheless permitted to foreclose upon the Fort Bend County oil and gas leases. Subsequent to the approval of the foreclosure of the oil and gas producing properties, the Company abandoned the remaining oil and gas properties except for one lease in southeast Texas. For the year ended June 30, 2003, the Company recognized a loss of \$13,040,120 on the foreclosure and abandonment of the oil and gas properties and the sale of the fixed assets.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

On October 26, 2003, the Company sold its wholly-owned subsidiary, Hycarbex-American Energy, Inc., for an 18% overriding royalty interest in the Exploration License No. 2768-7 dated August 11, 2001, of the Yasin Exploration Block.

On January 29, 2004, the Company was released from bankruptcy. Pursuant to the plan, all of the existing 66,318,037 shares of common stock and 41,499 shares of preferred stock were cancelled. The Company issued 18,898,518 new shares of common stock to creditors. Also, the Company adopted the provisions for fresh-start reporting. Accordingly, the accumulated deficit accumulated through January 29, 2004 has been eliminated. The Company is considered to have a fresh-start due to the cancellation of the prior shareholders' common stock and the subsequent issuance of common stock to creditors, the new shareholders.

On April 14, 2005, the Company's wholly owned inactive subsidiary, American Energy Operating Corp (AEOC) filed for a voluntary bankruptcy liquidation. AEOC does not have any assets but does have liabilities in the amount of \$284,767 which are segregated on the consolidated balance sheets as prepetition liabilities subject to compromise.

b. Going Concern

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. These factors raise substantial doubt about the Company's ability to continue as going concerns. The Company has no operations and is dependent upon financing to continue its operations. It is management's plan to manage and maintain its two core assets and to develop these assets where possible to generate cash for further investment and growth. In the case of the southeast Texas oil and gas lease, generation of cash will likely require an outright sale or a partial sale with a retained interest in production, as the company does not have sufficient cash assets to conduct drilling operations or the bonding capacity to obtain operating authority under Texas regulations. With regard to the Pakistan royalty, the company does not have development rights or obligations and is dependent upon the success of the drilling program implemented by Hydro Tur (Energy) Ltd. During the year ended June 30, 2005, Hydro Tur (Energy) Ltd. announced the successful completion of its initial well, the Haseeb No. 1, which is anticipated to begin generating cash flows in the first quarter of calendar 2006. Hydro Tur (Energy) Ltd. has also expressed their commitment to accelerate their development activities in Pakistan as a result of the success of the Haseeb No.1 well. If either activity is successful in generating cash assets, management plans to seek out investment opportunities compatible with its focus upon oil and gas properties.

The recovery of assets and continuation of future operations are dependent upon the Company's ability to obtain additional debt or equity financing, and their ability to generate revenues sufficient to continue pursuing their business purpose. These financial statements do not include any adjustments that might result from the outcome of these uncertainties. Subsequent to the date of these financial statements the Company has raised \$240,000 from private parties and an existing shareholder through the issuance of warrants to purchase common stock and through the direct issuance of common shares.

c. Accounting Methods

The Company's consolidated financial statements are prepared using the accrual method of accounting. The Company has elected a June 30 year-end.

d. Oil and Gas Properties

The full cost method is used in accounting for oil and gas properties. Accordingly, all costs associated with acquisition, exploration, and development of oil and gas reserves, including directly related overhead costs, are capitalized. In addition, depreciation on property and equipment used in oil and gas exploration and interest costs incurred with respect to financing oil and gas acquisition, exploration and development activities are capitalized in accordance with full cost accounting. In addition, depreciation capitalized during the years ended June 30, 2005, 2004 and 2003 totaled \$0, \$0 and \$4,784, respectively.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

All capitalized costs of proved oil and gas properties subject to amortization are being amortized on the unit-of-production method using estimates of proved reserves. Investments in unproved properties and major development projects not subject to amortization are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is added to the capitalized costs to be amortized. As of June 30, 2005, 2004 and 2003, no proved oil and gas reserves had been identified on the one remaining oil and gas property in Southeast Texas. Accordingly, amortization totaling \$0, \$0 and \$13,040,120 have been recognized in the accompanying consolidated financial statements for the years ended June 30, 2005, 2004 and 2003, respectively, on proved and impaired or abandoned oil and gas properties.

e. Principles of Consolidation

The consolidated financial statements include the Company and its wholly-owned subsidiaries as detailed previously. All significant intercompany accounts and transactions have been eliminated in consolidation.

f. Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

g. Property and Equipment and Depreciation

Property and equipment are stated at cost. Depreciation on drilling and related equipment, vehicles and office equipment is provided using the straight-line method over expected useful lives of five to seven years. For the years ended June 30, 2005, 2004 and 2003, the Companies incurred total depreciation of \$246, \$0, and \$6,506, respectively.

In accordance with full cost accounting, \$0, \$0 and \$4,784 of depreciation was capitalized as costs of oil and gas properties for the years ended June 30, 2005, 2004 and 2003, respectively, as previously discussed.

h. Basic Loss Per Share of Common Stock

	June 30,	
	2005	2004
Loss (numerator)	\$ (706,670)	\$ (928,389)
Shares (denominator)	25,319,754	23,528,518
Per share amount	\$ (0.03)	\$ (0.04)

The basic loss per share of common stock is based on the weighted average number of shares issued and outstanding during the period of the consolidated financial statements. Stock warrants and preferred shares prior to conversion are not included in the basic calculation because their inclusion would be antidilutive, thereby reducing the net loss per common share.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

i. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

j. Long Lived Assets

All long lived assets are evaluated for impairment per SFAS 144 whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Any impairment in value is recognized as an expense in the period when the impairment occurs.

In addition, pursuant to the full cost method used in accounting for oil and gas properties, the capitalized oil and gas property costs are subject to the full cost ceiling test to determine if the value of proved reserves and other mineral assets in the respective cost center are adequate to recover the unamortized costs in the full cost pool. If the Company determines that the capitalized costs exceed the full cost ceiling, the excess is charged to expense and separately disclosed during the year in which the excess occurs.

k. Recent Accounting Pronouncements

In December 2002, the FASB issued SFAS No. 148, Accounting for Stock-Based Compensation-Transition and Disclosure - an amendment for FAS 123. SFAS No. 148 amends SFAS No. 123, Accounting for Stock Based Compensation, to provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation. It also amends the disclosure provisions of SFAS No. 123 to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation. This Statement also amends APB Opinion No. 28, Interim Financial Reporting, to require disclosure about those effects in interim financial information. SFAS No. 148, is effective for annual and interim periods beginning after December 15, 2002. The adoption of the interim disclosure provisions of SFAS No. 148, did not have an impact on the Company's financial position, results of operations or cash flows. The Company is currently evaluating whether to adopt the fair value based method of accounting for stock-based employee compensation in accordance with SFAS No. 148 and its resulting impact on the Company's consolidated financial statements.

In January 2003, the Emerging Issues Task Force ("EITF") issued EITF Issue No. 00-21, Accounting for Revenue Arrangements with Multiple Deliverables. This consensus addresses certain aspects of accounting by a vendor for arrangements under which it will perform multiple revenue-generating activities, specifically, how to determine whether an arrangement involving multiple deliverables contains more than one unit of accounting. EITF Issue No. 00-21 is effective for revenue arrangements entered into in fiscal periods beginning after June 15, 2003, or entities may elect to report the change in accounting as a cumulative-effect adjustment. The adoption of EITF Issue No. 00-21 did not have a material impact on the Company's consolidated financial statements.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

In January 2003, the FASB issued Interpretation ("FIN") No. 46, Consolidation of Variable Interest Entities. Until this interpretation, a company generally included another entity in its consolidated financial statements only if it controlled the entity through voting interests. FIN No. 46 requires a variable interest entity, as defined, to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns. FIN No.46 is effective for reporting periods ending after December 15, 2003. The adoption of FIN No. 46 did not have an impact on the Company's consolidated financial statements.

In April 2003, the FASB issued SFAS No. 149, Amendment of Statement 133 on Derivative Instruments and Hedging Activities, which amends and clarifies accounting for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities under SFAS No. 133. SFAS No. 149, is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. The adoption of SFAS No. 149 will not have an impact on the Company's consolidated financial statements.

In May 2003, the FASB issued SFAS No. 150, Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity. SFAS No. 150, changes the accounting guidance for certain financial instruments that, under previous guidance, could be classified as equity or "mezzanine" equity by now requiring those instruments to be reported as liabilities. SFAS No. 150 also requires disclosure relating to the terms of those instruments and settlement alternatives. SFAS No. 150 is generally effective for all financial instruments entered into or modified after May 31, 2003, and is otherwise effective at the beginning of the first interim period beginning after June 15, 2003. The adoption of SFAS No. 150 did not have an impact on the Company's consolidated financial statements.

l. Equity Securities

Equity securities issued for services rendered have been accounted for at the fair market value of the securities on the date of issuance.

m. Income Taxes

At June 30, 2005, the Company had net operating loss carryforwards of approximately \$43,103,661 that may be offset against future taxable income from the year 2005 through 2024. No tax benefit has been reported in the June 30, 2005 consolidated financial statements since the potential tax benefit is offset by a valuation allowance of the same amount.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 1 - Organization and Summary of Significant Accounting Policies (continued)

The income tax benefit differs from the amount computed at federal statutory rates of approximately 38% as follows:

<TABLE>
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	June 30,	
	2005	2004
<S>	<C>	<C>
Income tax benefit at statutory rate	\$ 268,535	\$ 342,000
Change in valuation allowance	(268,535)	(342,000)
	\$ -	\$ -

Deferred tax assets are comprised of the following:

	June 30,	
	2005	2004
Income tax benefit at statutory rate	\$ 16,379,391	\$ 15,542,000
Valuation allowance	(16,379,391)	(15,542,000)
	\$ -	\$ -

</TABLE>

Note 2 - Oil and Gas Properties

At the time the Company acquired Simmons Oil Company, Inc. and its subsidiaries, those companies had ownership interests in oil and gas prospects located in Texas. These properties contained oil and gas leases on which existing wells had been shut-in and abandoned and had additional sites available for further exploration and development. During the years ended June 30, 2003 and 2002, the Companies expended funds in exploration and development activities and work over of existing wells on those properties and other oil and gas properties acquired during those years. As described in Note 1, as of June 30, 2005, the Company has one lease remaining in Southeast Texas.

On March 10, 1995, American Energy - Deckers Prairie, Inc., a wholly-owned subsidiary of the Company, entered into an agreement with an unrelated entity to accept the transfer of all rights, title and interest to certain oil and gas leases located in the State of Texas along with all personal property and equipment located on and used in connection with those leases. In exchange, American Energy - Deckers Prairie, Inc. assumed all contractual covenants related to those oil and gas leases. The selling entity had previously sold working interests in these oil and gas leases totaling from 33% to 48% depending on the property.

As part of the acquisition agreement, American Energy - Deckers Prairie, Inc. agreed to purchase the working interests from the individual holders for the amount of their original investment plus interest at 7% from the date of their investment, evidenced by a "Drilling Investor Note" to each investor, due and payable on September 15, 1995. Each working interest holder has the option to retain his working interest or sell it to American Energy - Deckers Prairie, Inc.

At June 30, 1997, the Companies had been unable to satisfy this obligation and the financial guaranty bond securing the payment of the Drilling Investor Notes had not been enforced, although the Companies intended to satisfy this obligation. Most of the obligation was settled during the year ended June 30, 1998 by issuing 140,383 shares of common stock valued at \$325,278. Accordingly, the value of the acquisition of these working interest has been included in the accompanying consolidated financial statements as part of the cost of oil and gas properties. The remaining liability of \$38,117 was written off during the year ended June 30, 2002 and recorded as a gain on settlement of debt.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 2 - Oil and Gas Properties (continued)

On April 6, 1995, Hycarbex entered into a concession agreement with and was issued an exploration license by the President and the Federal Government of the Islamic Republic of Pakistan. This agreement and license related to an oil and gas property known as the "Jacobabad Block" (Block 2768-4) or the Pakistan concession and entitled Hycarbex to a 95% working interest in the property. The exploration license was originally issued for a period of three years which was subsequently extended for an additional year. During the first year Hycarbex expended the minimum required \$26,000 for processing and interpreting data already available. In the second year which was included in the year ended June 30, 1997, Hycarbex performed the minimum seismic work, evaluating and interpreting the data from the work performed. As part of the agreement, Hycarbex was to drill one exploratory well prior to April 1998 to an agreed upon depth. During May 1998, the Company obtained preliminary results of its first Middle Indus Basin exploratory well in Pakistan. The well was spudded during March 1998 and was drilled to total depth during May 1998. A second exploratory well was drilled during the year ended June 30, 1999. This well was subsequently plugged because of encountered downhole and mechanical conditions short of the target depth. As a result, the well bore was plugged and the drill site moved. A replacement well was spudded on April 5, 1999 which also was plugged due to encountering a combination of dangerous levels of hydrogen sulfide gas and loss of circulation while drilling and testing the well. The well was plugged to prevent possible further release of dangerous gas. The Company intended to pursue further plans for the drilling of another exploratory well upon completion of geological and geophysical analysis of the test results. Having completed its three years of work requirements and initial license term, the Company, per the provisions of the original exploration license, relinquished 20% of the acreage originally held under the concession, thereby retaining approximately one million acres for further exploration and development.

The concession agreement also required Hycarbex to provide a bank guaranty for \$551,000 which was done by an unrelated surety company. That surety company received common stock of the Company as compensation for providing the bond.

Effective May 29, 1999, the Government of Pakistan granted an additional six-month extension in the existing terms of the Jacobabad Exploration License so as to enable the Company to drill a substitute well for the previously abandoned wells with a commitment and obligation to expend an additional \$1,100,000. The Company was granted a second renewal of the license to November 28, 2000 to drill an exploration well. This second renewal period was dependent on the Company fulfilling its obligations of drilling the replacement well. The Companies were unable to comply with the requirements of the extension for the replacement well. Accordingly, the Jacobabad Concession was relinquished during the year ended June 30, 2001. All costs related to the relinquished Jacobabad Concession were fully amortized as of June 30, 2001 and written off.

On August 11, 2001, the Companies were awarded a new Concession Agreement and Exploratory License in Pakistan known as the Yasin Concession, in the Sindh Providence of Pakistan. During the year ended June 30, 2003, this agreement was voluntarily terminated by the Company and replaced with an agreement with more favorable drilling terms.

In May 1997, the Companies entered into an agreement to acquire certain oil and gas properties and equipment in the state of Texas for a total of \$1,000,000 from an unrelated party. \$75,000 cash was paid with the balance of \$925,000 to be paid over a maximum of four years with a minimum of \$175,000 the first year and \$250,000 per year thereafter until paid in full (see Note 3). As described in Note 1, the secured creditor foreclosed on the property and purchased the equipment pursuant to approval from the bankruptcy court.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
 Notes to the Consolidated Financial Statements
 June 30, 2005, 2004 and 2003

Note 2 - Oil and Gas Properties (continued)

 During the year ended June 30, 1997, the Companies received \$800,000 as a joint venture investment in certain of the Companies oil and gas properties. In June 1997, the Companies entered into agreements representing \$500,000 of the joint venture investors to repurchase their interests for a total of 250,000 shares of common stock and notes payable totaling \$389,000 (see Notes 6 and 3, respectively). During the year ended June 30, 1998, the Companies acquired the remaining \$300,000 joint venture interest for 150,000 shares of common stock (valued at \$1.50 per share) and a note payable of \$121,564 with additional payments made to that individual prior to the consummation of that transaction.

On May 9, 2000, the Companies entered into an Asset and Stock Purchase and Sale Agreement with Northern Lights Energy, Ltd. (Northern Lights) to sell the U.S. oil, gas and mineral leases, all related equipment to operate such leases, and 100% of the outstanding stock of the operating subsidiary, The American Energy Operating Corp., for a total of \$4,000,000. As of June 30, 2000, a total of \$750,000 of the \$4,000,000 had been received by the Company which was originally recorded in the accompanying consolidated balance sheet as a deposit on the sale of assets. Northern Lights was unable to pay the remaining \$3,250,000 pursuant to the agreement. Effective July 1, 2001, Northern Lights relinquished its purchase rights in the U.S. operations. During the year ended June 30, 2001, the Companies had repaid a portion of the \$750,000 advance through royalty payments to Northern Lights, leaving a balance outstanding at June 30, 2001 of \$483,080. On July 1, 2001, the Company finalized its settlement with Northern Lights Energy, Ltd. and Northern Lights relinquished its purchase rights in the U.S. operations. Northern Lights also accepted a negotiated sum of \$285,000 as full payment of the remaining deposit owed resulting in a gain on settlement of debt of \$198,080 for the year ended June 30, 2002.

During the year ended June 30, 2002, the Company entered into a Purchase and Sale Agreement with Zaber Investments, LLC, a company controlled by an officer of the Company, to sell a 10% interest in certain operating wells and assets in the United States for \$300,000. The proceeds of this agreement were used to make the settlement payment to Northern Lights, as mentioned above.

As described in Note 1, as of June 30, 2005, the Company has one remaining lease for oil and gas properties located in Southeast Texas.

Note 3 - Notes payable and long-term debt

<TABLE>
 <CAPTION>

	2005	2004
	<C>	<C>
<S>		
Promissory note due to an individual, interest at prime plus 1.0% per annum, principal and interest due January 18, 2006 with a one year maturity extension available for a fee of \$20,000, secured by 1/2 of the future production, if any received by the company on its retained overriding royalty interest in its Republic of Pakistan Yasin block and its retained interest in its Maco-Stewart, Gillock Field Oil and Gas leases in Galveston County.	\$ 292,000	\$ 0
	-----	-----
Total Notes Payable and Long-Term Debt	-	-
	-----	-----
Less Current Portion	292,000	-
	-----	-----
Long-Term Debt	\$ 0	\$ 0
	=====	=====

</TABLE>

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 4 - Convertible debt

<TABLE>
<CAPTION>

	2005	2004
	<C>	<C>
<S> Convertible promissory notes due to individuals, interest at prime plus 1.0% per annum, principals due from December 31, 2005 through June 2006, convertible into shares of common stock at \$0.20 per share, secured by 1/2 of the note future production, if any received by the company on its retained overriding royalty interest in its Republic of Pakistan Yasin block and its retained interest in its Maco-Stewart, Gillock Field Oil and Gas leases in Galveston County.	\$ 25,000	\$ 375,000
Total Convertible Debt	0	375,000
Less Current Portion	25,000	-
Long-Term Debt	\$ 0	\$ 375,000

</TABLE>

Note 5 - Capital Lease Obligations

The Company entered into a lease agreement during the year ended June 30, 2001 relating to office equipment which has been accounted for as a capital lease. The lease has a term of 36 months with a total monthly lease payment of \$122.

The following are the scheduled annual payments on the capital lease:

Year Ending June 30, 2005	\$ 709	

Total minimum lease commitments	709	
Less: amount representing interest	(30)	

Total capital lease obligations	679	
Less: current portion	(679)	

Total Long-Term Capital Lease Obligations	\$ -	
=====		

Note 6 - Convertible Voting Preferred Stock

On September 22, 1994, the board of directors of the Company approved the issuance of 2,074,521 shares of the authorized preferred stock of the Company, to be issued in a series, to be known as the "Convertible Voting Preferred Stock, \$.025 Non-Cumulative Dividend". A corresponding certificate of issuance was filed with the State of Nevada. Holders of these shares are entitled to a noncumulative, preferential dividend of \$.025 per share per annum, when declared by the board of directors, payable from the surplus, net profits or assets of the Company. At any time after September 30, 1999, the board of directors of the Company may elect to redeem this Convertible Voting Preferred Stock at a redemption price of \$0.50 per share. Each share of this Convertible Voting Preferred Stock shall be convertible into five shares of the common stock of the Company.

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THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 6 - Convertible Voting Preferred Stock (continued)

Under the conversion privileges of these shares, the holder may elect to convert 20% of the Convertible Voting Preferred Stock prior to September 30, 1995 and an additional 20% every year thereafter until September 30, 1999. The right to convert shall terminate if not exercised before September 30, 1999. At June 30, 2002, the remaining 41,499 preferred shares are no longer convertible. The Company has the right to redeem these shares for \$0.50 per share. Each share of this Convertible Voting Preferred Stock shall be entitled to one shareholder vote. These 2,074,521, shares were issued pursuant to the acquisition by the Company of Simmons Oil Company, Inc. and its subsidiaries. One share of Convertible Voting Preferred Stock was issued for every four shares of common stock of Simmons Oil Company, Inc.

As described in Note 1, pursuant to the bankruptcy proceedings, the preferred stock was canceled.

Note 7 - Common Stock

During January 2002, the Company issued 1,000,000 shares of previously authorized but unissued common stock for interest payable, valued at \$250,000.

During January 2002, pursuant to two separate agreements, the Company issued 2,544,768 and 6,400,000 shares of previously authorized but unissued common stock to two separate creditors for notes payable, valued at \$1,094,290 and \$640,000 (or \$0.43 and \$0.10 per share), respectively. During April 2002, the Company canceled 2,544,768 of those previously issued shares in exchange for the original debt in order to make available a significant number of additional authorized shares of common stock for an investment transaction contracted with a German company which was originally scheduled to close in that month. Simultaneously with this cancellation, the Company also repurchased 6,400,000 shares of common stock for \$800,000, which were previously issued for \$640,000.

During January 2004, as described in Note 1, the Company cancelled 66,318,037 shares of existing common stock and issued 18,898,518 new shares of common stock to creditors.

During February 2004, the Company issued 1,500,000 shares of common stock at par value for an 18% overriding royalty interest in the Exploration License No. 2768-7 dated August 11, 2001 of the Yasin Exploration Block.

During February 2004, the Company issued 3,000,000 shares of common stock for services valued at \$100,000.

During June 2004, the Company issued 1,300,000 shares of common stock for convertible debt of \$200,000.

During July 2004, the Company issued 250,000 shares of common stock for services valued at \$25,000.

During December 2004, the Company issued 76,520 shares of common stock for services valued at \$25,000.

During December 2004, the Company issued 1,932,482 shares of common stock for convertible debt of \$375,000 and related accrued interest of \$11,496.

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 7 - Common Stock (continued)

During March 2005, the Company issued 26,000 shares of common stock for services valued at \$32,500.

During March 2005, the Company issued 35,760 shares of common stock to creditors pursuant to the prior years bankruptcy settlement.

During May 2005, the Company issued 17,620 shares of common stock for services valued at \$18,500.

During June 2005, the Company issued 102,684 shares of common stock for services valued at \$63,000.

Note 8 - Common Stock Warrants

The Company applies Accounting Principles Board ("APB") 25, "Accounting for Stock Issued to Employees," and related interpretations in accounting for all stock option plans. Under APB 25, compensation cost is recognized for stock options and warrants granted to employees when the option/warrant price is less than the market price of the underlying common stock on the date of grant.

FASB Statement 123, "Accounting for Stock-Based Compensation" ("SFAS No. 123") requires the Company to provide proforma information regarding net income and net income per share as if compensation costs for the Company's stock option plans and other stock awards had been determined in accordance with the fair value based method prescribed in SFAS No. 123. The Company estimates the fair value of each stock award at the grant date by using the Black-Scholes option pricing model. The warrants granted for the year ended June 30, 2005 were based on the following assumptions:

Dividend yield	0
Expected Volatility	100%
Risk free interest	4%
Expected lives	5 years

A summary of the status of the Company's stock warrants as of June 30, 2005 and changes during the year ended June 30, 2004 are presented below:

<TABLE>
<CAPTION>

	Stock Warrants	Weighted Average Exercise Price	Weighted Average Grant Date Fair Value
<S>	<C>	<C>	<C>
Outstanding, June 30, 2003	3,351,929	\$ 1.37	\$ 0.17
Granted	-	-	-
Expired/Canceled	(3,351,929)	(1.37)	(0.17)
Exercised	-	-	-
Outstanding, June 30, 2004	-	-	-
Granted	1,000,000	\$ 0.75	\$ 0.50
Expired/Canceled	-	-	-
Exercised	-	-	-
Outstanding, June 30, 2005	1,000,000	\$ 0.75	\$ 0.50

</TABLE>

As described in Note 1, all of the outstanding warrants issued prior to the year ended June 30, 2004 were cancelled pursuant to the bankruptcy settlement.

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
Notes to the Consolidated Financial Statements
June 30, 2005, 2004 and 2003

Note 8 - Common Stock Warrants (continued)

For purposes of proforma disclosures, the estimated fair value of the warrants are included in expense over the vesting period or expected life of the warrant.

<TABLE>
<CAPTION>

	June 30, 2005	June 30, 2004	June 30, 2003
<S>	<C>	<C>	<C>
Net loss as reported	\$ (760,670)	\$ (928,389)	\$ (14,911,456)
Adjustment calculated in accordance with SFAS 123	(500,000)	-	-
Proforma Net Loss	\$ (1,260,670)	\$ (928,389)	\$ (14,911,456)
Net loss per common share as reported	\$ (0.03)	\$ (0.04)	\$ (0.22)
Proforma net loss per common share	\$ (0.05)	\$ (0.04)	\$ (0.22)

</TABLE>

Note 9 - Direct Method Cash Flow Statement

Pursuant to SOP 90-7, "Financial Reporting by Entities in Reorganization Under the Bankruptcy Code" the following statement of cash flows has been prepared for the year ended June 30, 2003 using the direct method.

<TABLE>
<CAPTION>

	2003
<S>	<C>
Cash Flows from Operating Activities:	
Cash received from customers	\$ 443,118
Cash paid for general and administrative expenses	(791,925)
Net cash used by Operating Activities	(348,807)
Cash Flows from Investing Activities:	
Cash received from sale of assets	140,000
Cash paid for capital leases	(59,920)
Net cash provided by Investing Activities	80,080
Cash Flows from Financing Activities:	
Cash received from notes payable	75,081
Cash paid for capital leases	(726)
Net cash provided by Financing Activities	74,355
Net Increase (Decrease) in Cash	(194,372)
Cash and cash equivalents at Beginning of Year	1,318,588
Cash and cash equivalents at End of Year	\$ 1,124,216

</TABLE>

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
S.F.A.S. 69 Supplemental Disclosures
(Unaudited)
June 30, 2005 and 2004

S.F.A.S. 69 SUPPLEMENTAL DISCLOSURES

(1) Capitalized Costs Relating to Oil and Gas Producing Activities

<TABLE>
<CAPTION>

	June 30,	
	2005	2004
<S>	<C>	<C>
Proved oil and gas producing properties and related lease and well equipment	\$ -	\$ -
Accumulated depreciation and depletion	-	-
Net Capitalized Costs	\$ -	\$ -

</TABLE>

(2) Costs Incurred in Oil and Gas Property Acquisition, Exploration, and Development Activities

<TABLE>
<CAPTION>

	For the Years Ended June 30,	
	2005	2004
<S>	<C>	<C>
Acquisition of Properties		
Proved	\$ -	\$ -
Unproved	-	-
Exploration Costs	-	-
Development Costs	-	-

</TABLE>

The Company does not have any investments accounted for by the equity method.

(3) Results of Operations for Producing Activities

<TABLE>
<CAPTION>

	For the Years Ended June 30,	
	2005	2004
<S>	<C>	<C>
Sales	\$ -	\$ -
Production costs	-	-
Depreciation and depletion	-	-
Results of operations for producing activities (excluding corporate overhead and interest costs)	\$ -	\$ -

</TABLE>

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
S.F.A.S. 69 Supplemental Disclosures
(Unaudited)
June 30, 2005 and 2004

S.F.A.S. 69 SUPPLEMENTAL DISCLOSURES (Continued)

(4) Reserve Quantity Information

<TABLE>
<CAPTION>

	Oil BBL	Gas MCF
Proved developed and undeveloped reserves:	<C>	<C>
Balance, June 30, 2004	-	-
10% of reserves sold during year	-	-
Change in estimates	-	-
Production	-	-
Balance, June 30, 2005	-	-
Proved developed reserves:		
Beginning of the year ended June 30, 2004	-	-
End of the year ended June 30, 2005	-	-

</TABLE>

During the year ended June 30, 2005, the Company did not have reserve studies and estimates prepared on the one remaining oil and gas property located in Southeast Texas. Therefore, the balance of the proved reserves and underdeveloped reserves should be \$0.

(5) Standardized Measure of Discounted Future Net Cash Flows Relating to Proved Oil and Gas Reserves

The standardized measure of discounted future net cash flows is computed by applying year-end prices of oil and gas (with consideration of price changes only to the extent provided by contractual arrangements) to the estimated future production of proved oil and gas reserves, less estimated future expenditures (based on year-end costs) to be incurred in developing and producing the proved reserves, less estimated future income tax expenses (based on year-end statutory tax rates, with consideration of future tax rates already legislated) to be incurred on pretax net cash flows less tax basis of the properties and available credits, and assuming continuation of existing economic conditions. The estimated future net cash flows are then discounted using a rate of 10 percent a year to reflect the estimated timing of the future cash flows.

<PAGE>

THE AMERICAN ENERGY GROUP, LTD. AND SUBSIDIARIES
 S.F.A.S. 69 Supplemental Disclosures
 (Unaudited)
 June 30, 2005 and 2004

S.F.A.S. 69 SUPPLEMENTAL DISCLOSURES (Continued)

(5) Standardized Measure of Discounted Future Net Cash Flows Relating
 to Proved Oil and Gas Reserves (Continued)

At June 30, 2005

<TABLE>
 <CAPTION>

	The American Energy Group Ltd. and Subsidiaries

<S>	<C>
Future cash inflows	\$ -
Future production and development costs	-

Future net inflows before income taxes	-
Future income tax expense	-

Future net cash flows	-
10% interest held by related company	-
10% annual discount for estimated timing of cash flows	-

Standardized measure of discounted future net cash flows	\$ -
	=====

</TABLE>

The above schedules relating to proved oil and gas reserves, standardized measure of discounted future net cash flows and changes in the standardized measure of discounted future net cash flows have their foundation in engineering estimates of future net revenues that are derived from proved reserves and with the assumption of current pricing and current costs of production for oil and gas produces in future periods.

Subsequent development and production of the Company's reserves will necessitate revising the present estimates. In addition, information provided in the above schedules does not provide definitive information as the results of any particular year but, rather, helps explain and demonstrate the impact of major factors affecting the Company's oil and gas producing activities. Therefore, the Company suggests that all of the aforementioned factors concerning assumptions and concepts should be taken into consideration when reviewing and analyzing this information.

Since the Company did not complete a reserve study at June 30, 2005, the standardized measure of discounted future net cash flows is \$0.

Filename: a4994397ex23_1.txt
Type: EX-23.1
Comment/Description: Exhibit 23.1
(this header is not part of the document)

Exhibit 23.1

CONSENT OF INDEPENDENT AUDITORS

We hereby consent to the use of our report for the years ended June 30, 2005, dated October 13, 2005, in the Form 10-KSB for The American Energy Group, Ltd.

Chisholm, Bierwolf & Nilson
Bountiful, Utah
/s/ October 13, 2005

Filename: a4994397ex31_1.txt
Type: EX-31.1
Comment/Description: Exhibit 31.1

(this header is not part of the document)

Exhibit 31.1

CERTIFICATION

I, R. PIERCE ONTHANK, President and Chief Financial 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, 2005 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.

<PAGE>

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: /s/October 13, 2005

/s/

Printed Name: R. PIERCE ONTHANK
President, Chief Executive Officer and
Chief Financial Officer

Filename: a4994397ex32_1.txt
Type: EX-32.1
Comment/Description: Exhibit 32.1

(this header is not part of the document)

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 Chief Financial Officer of The American Energy Group, Ltd. (the "Corporation").
2. To the best of my knowledge:
 - (a) The Corporation's June 30, 2005 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: October 13, 2005

By: /S/

R. Pierce Onthank
President Chief Executive Officer and
Chief Financial Officer