

AMERICAN PETRO-HUNTER INC
Form 10-Q
August 19, 2008

**U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q**

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended: June 30, 2008

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number: 0-22723

AMERICAN PETRO-HUNTER INC.

(Exact name of registrant as specified in its charter)

NEVADA
(State of incorporation)

98-0171619
(IRS Employer ID No.)

225 Marine Drive, Suite 210, Blaine, Washington 98230
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (360) 332-0905

Indicate by check mark whether the registrant (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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer Smaller Reporting company
(Do not check if smaller reporting company)

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

Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

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Class	Outstanding at August 19, 2008
Common stock, \$.001 par value	10,065,019

AMERICAN PETRO HUNTER, INC.
FORM 10-Q

June 30, 2008

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FORWARD-LOOKING STATEMENTS

This Report on Form 10-Q contains forward-looking statements within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Reference is made in particular to the description of our plans and objectives for future operations, assumptions underlying such plans and objectives, and other forward-looking statements included in this report. Such statements may be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “believe,” “estimate,” “anticipate,” “intend,” “continue,” or similar terms, variations of such terms, or the negative of such terms. Such statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in the forward-looking statements. Such statements address future events and conditions concerning, among others, capital expenditures, earnings, litigation, regulatory matters, liquidity and capital resources and accounting matters. Actual results in each case could differ materially from those anticipated in such statements by reason of factors such as future economic conditions, changes in consumer demand, legislative, regulatory and competitive developments in markets in which we operate, results of litigation and other circumstances affecting anticipated revenues and costs, and the risk factors set forth below under the heading “Risk Factors” and set forth in our Annual report on Form 10-KSB for the fiscal year ended December 31, 2007, filed on April 15, 2008.

As used in this Form 10-Q, “we,” “us” and “our” refer to American Petro-Hunter Inc., which is also sometimes referred to as the “Company.”

YOU SHOULD NOT PLACE UNDUE RELIANCE ON THESE FORWARD LOOKING STATEMENTS

The forward-looking statements made in this report on Form 10-Q relate only to events or information as of the date on which the statements are made in this report on Form 10-Q. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this report and the documents that we reference in this report, including documents referenced by incorporation, completely and with the understanding that our actual future results may be materially different from what we expect or hope.

Item 1. Financial Statements**American Petro-Hunter Inc.
(A Development Stage Company)**

Balance sheets

(Expressed in U.S. Dollars)

	June 30, 2008 (Unaudited)	December 31, 2007 (Audited)
Assets		
Cash	\$ 2,173	\$ 6,207
Taxes recoverable	2,409	2,484
Total Current Assets	\$ 4,582	\$ 8,691
Liabilities and Stockholders' Deficit		
Accounts payable and accrued liabilities	\$ 223,940	\$ 222,691
Due to related parties	137,119	138,900
Loan guarantee	100,133	103,224
Note payable	25,000	25,000
Total Current Liabilities	486,192	489,815
Common stock 200,000,000 voting shares, par value \$0.001 authorized; 10,065,019 and 8,265,019 shares issued and outstanding, respectively	10,065	8,265
Common stock to be issued	15,000	60,000
Additional paid-in capital	3,124,328	3,036,128
Accumulated comprehensive loss	(76,532)	(89,260)
Deficit accumulated during the development stage	(3,554,471)	(3,496,257)
Total Stockholders' Deficit	(481,610)	(481,124)
Total Liabilities and Stockholders' Deficit	\$ 4,582	\$ 8,691

American Petro-Hunter Inc.
(A Development Stage Company)

Statements of Operations
(Expressed in U.S. Dollars)
(Unaudited)

	For the three month period ended June 30, 2008	For the three month period ended June 30, 2007	For the six month period ended June 30, 2008	For the six month period ended June 30, 2007	For the period from the date of inception on January 24, 1996 to June 30, 2008
Revenues	\$ -	\$ -	\$ -	\$ -	-
Expenses:					
General and administrative	40,909	20,010	58,214	56,397	1,693,082
Executive compensation	-	4,500	-	10,500	399,488
Finders' fees	-	-	-	-	48,000
Rent	-	-	-	-	61,698
Research and development	-	-	-	-	566,875
Total expenses	40,909	24,510	58,214	66,897	2,769,143
Loss before other expenses	(40,909)	(24,510)	(58,214)	(66,897)	(2,769,143)
Other expenses:					
Write-off loans and advances	-	-	-	-	(327,451)
Loss from discontinued operations	-	-	-	-	(365,519)
Loss from loan guarantee	-	-	-	-	(84,858)
Write-down of investments	-	-	-	-	(7,500)
Total other expenses	-	-	-	-	(785,328)
Net loss	(40,909)	(24,510)	(58,214)	(66,897)	(3,554,471)
Other comprehensive gain (loss)					
Foreign currency translation gain (loss)	1,754	(23,561)	12,728	(23,218)	(76,532)
Comprehensive loss	\$ (39,155)	\$ (48,071)	\$ (45,486)	\$ (90,115)	\$ (3,631,003)
Basic and diluted loss per common share	\$ (0.005)	\$ (0.006)	\$ (0.005)	\$ (0.011)	
Weighted average number of common shares used in per share calculations	9,291,686	8,265,019	8,775,516	8,265,019	

American Petro-Hunter Inc.
(A Development Stage Company)

Statements of Cash Flows
(Expressed in U.S. Dollars)
(Unaudited)

	For the six month period ended June 30, 2008	For the six month period ended June 30, 2007	For the period from the date of inception on January 24, 1996 to June 30, 2008
Cash flows from operating activities			
Net loss	\$ (58,214)	\$ (66,897)	\$ (3,188,952)
Adjustments to reconcile net loss to net cash used in operating activities:			
Accrued interest on note payable	-	-	3,559
Stock purchase warrants issued	-	-	80,000
Loss from loan guarantee	-	-	84,858
Shares issued for services rendered	-	-	992,558
Stock purchase warrants issued for finders' fee	-	-	48,000
Write down of investment in AEI Trucolor	-	-	7,500
Changes in operating assets and liabilities			
Decrease (increase) in taxes recoverable	75	(4,061)	(2,409)
(Decrease) increase in accounts payable and accrued liabilities	(1,842)	51,213	1,867,493
(Decrease) increase in accounts payable to related parties	(1,781)	-	29,949
Net cash used in operating activities	(61,762)	(19,745)	(77,444)
Cash flows from financing activities			
Proceeds from sale of Stock	45,000	40,000	592,400
Proceeds from note payable	-	1,471	25,000
Share issue costs	-	-	(95,732)
Net cash provided by financing activities	45,000	41,471	521,668
Cash flows from discontinued operations			
	-	-	(365,519)
Foreign currency translation effect on cash	12,728	(23,218)	(76,532)
Change in cash	(4,034)	(1,492)	2,173
Cash, Beginning of period	6,207	20,783	-
Cash, End of period	\$ 2,173	\$ 19,291	\$ 2,173

Supplemental Disclosures with Respect to Cash Flows (Note 9)

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American Petro-Hunter Inc.**(A Development Stage Company)**

Statements of Changes in Stockholders' Deficit

(Expressed in U.S. Dollars)

(Unaudited)

	Common Stock		Common			Deficit	Accumulated		Stockholders'
	Number of	Par	Additional	Deferred	stock to	accumulated	comprehensive	Equity	
	shares issued	Value	paid-in capital	compensation	development	during the	loss	(Deficit)	
						stage			
Share issue for cash, net of issue costs	10,497,300	\$ 10,497	\$ 296,833	\$ -	\$ -	\$ -	\$ -	307,330	
Net income	-	-	-	-	-	4,856	-	4,856	
Balance at December 31, 1996	10,497,300	10,497	296,833	-	-	4,856	-	312,186	
Share issued for cash, net of issue cost	187,416	187	46,850	-	-	-	-	47,037	
Net loss	-	-	-	-	-	(96,386)	-	(96,386)	
Unrealized foreign exchange gain	-	-	-	-	-	-	8,258	8,258	
Balance at December 31, 1997	10,684,716	10,684	343,683	-	-	(91,530)	8,258	271,095	
Stock reverse split 3:1	(7,123,094)	(7,123)	7,123	-	-	-	-	-	
Shares issued	7,773,026	7,773	1,980,833	-	-	-	-	1,988,606	
Unrealized foreign exchange loss	-	-	-	-	-	-	(8,258)	(8,258)	
Net loss	-	-	-	-	-	(1,798,830)	-	(1,798,830)	
Balance at December 31, 1998	11,334,648	11,334	2,331,639	-	-	(1,890,360)	-	452,613	
1998 issuance cancelled	(4,800,000)	(4,800)	(1,339,200)	-	-	-	-	(1,344,000)	
Share issue costs	500,000	500	85,000	-	-	-	-	85,500	
Net loss	-	-	-	-	-	(307,331)	-	-	