

PART A GENERAL COMPANY INFORMATION

Item 1: Exact name of Issuer as specified in its Charter: **ALASKA PACIFIC ENERGY CORP.**

Item 2: Address of Principal Executive Offices

2005 Costa Del Mar Road, Carlsbad CA, 92009 Telephone: 604-462-8535

Item 3: The Jurisdiction(s) and Date of the Issuer's Incorporation or Organization

State of Nevada, January 13, 2005

PART B SHARE STRUCTURE

Item 4: Exact Title and Class of Securities Outstanding:

Common Stock,
CUSIP: 011758 109
Trading Symbol: ASKE

Item 5: Par or stated value and description of the security.

\$0.001 Par Value. Authorized Capital: 2,000,000,000 common shares

Item 6: The number of shares or total amount of the securities outstanding for each class of securities authorized.

The Issuer has 848,786,968 shares of common stock outstanding as of July 25, 2012.
No other class of shares is authorized

- (i) Period end date; April 30, 2012
- (ii) Number of shares authorized; 2,000,000,000
- (iii) Number of shares outstanding; 848,786,968
- (iv) Freely tradable shares (public float); 656,892,411
- (v) Total number of beneficial shareholders; 103
- (vi) Total number of shareholders of record. 103

Item 7: Transfer Agent:

Island Stock Transfer LLC
100 Second Avenue South, Suite 705S, St. Petersburg, FL 33701
Financial Industry Number Standard (FINS) number is 278408.

PART C BUSINESS INFORMATION

Item 8: The nature of the issuer's business.

A. BUSINESS DEVELOPMENT: We were incorporated in the State of Nevada on January 13, 2005 under the name "Alaska Pacific Energy Corp.", (the "Company"). We are an exploration stage company engaged in the search for commercially viable minerals. On June 26, 2008 the Company entered into an option agreement to acquire a 100% interest in a total of 61 mineral claims in Whitton Gayhurst Townships, in the Province of Quebec, Canada., Pursuant to the agreement, the Company paid \$16,600 and issued 250,000 common shares at \$0.10 per share on July 15th 2008 for the first payment. The second cash payment in amount of \$16,600 and 250,000 common shares issuance was to be executed on or before July 15, 2009. The Company signed an extension for the second payment to July 15, 2010. However, following extensive due diligence examination, the Company decided to terminate the Option Agreement and no additional payments were made.

On January 13, 2010, the Company amended its authorized capital from 50,000,000 common shares with a par value of \$0.001 to 300,000,000 common shares with a par value of \$0.001. Additionally, on October 4, 2011, the Company amended its authorized capital from 300,000,000 common shares with a par value of \$0.001 to 600,000,000 common shares with a par value of \$0.001.

On March 18, 2010, the Company entered into an Oil Sands Licensing Agreement with Engineering Technology, Inc. ("Entec"). Pursuant to the terms of the Agreement, the Company was to receive a non-exclusive, non-transferable, non sub-licensable, royalty free, fully paid-up license to use Entec's North American License rights to Entec's Horizontal Directional Drilling Oil Sands Recovery system for oil-sands recovery activities. In exchange for this North American License, the Company issued 15,000,000 restricted common shares to Entec. On November 5, 2010 the Company announced that Entec failed to live up to the terms of the Agreement. All 15,000,000 shares issued to Entec were returned and subsequently cancelled.

On January 25, 2011 Sundance Gold Ltd. was issued 30,000,000 common shares as part of an acquisition/option agreement. This issuance represented an increase of 11.4% of the Company's issued stock. However, the acquisition/option agreement was not closed and Sundance Gold Ltd. has agreed to return the shares to the Company for cancellation.

On February 3, 2011, the Company was delisted from the OTC Bulletin Board.

On June 22, 2011, the Company executed an Assignment Agreement with Kouzelne Mesto Ltd., ("KzM") whereby the Company will acquire ownership of an 80% legal and beneficial interest in certain primary mining and prospecting licenses located in the Lillooet Mining Division in the Province of British Columbia, Canada (the "Property"). The original Owner BCT Mining Corp. has granted KzM the sole and exclusive option (the "Option") which may be exercised at the sole discretion of KzM to acquire an undivided 100% of the Owner's 80% legal and beneficial interest in and to the Property (the "Interest") free and clear of all encumbrances for the full price and consideration of payment to the Owner, the sum of \$1,150,000 (the "Payment"), the expenditure by the KzM or its Assignee, the Company, of a total of \$1,500,000 in exploration work on the Property (the "Work") and the transfer by KzM of 75,000,000 common shares of \$0.001 par value in the capital stock of the Company as constituted as of June 22nd, 2011 (the "Shares"), out of a total of 100,000,000 shares granted to KzM, by the Company. The Company has undertaken to exercise the Option by delivering to BCT Mining Corp., written notice of the Company's intention to exercise the Option. On April 1, 2012 BCT Mining Corp. agreed to accept cash to be paid out over time for the exercise of the Option and KzM returned the 75,000,000 shares which were subsequently cancelled.

Legal Proceedings: We are not now or have ever been a party to any legal proceedings nor are we aware of any legal proceedings pending or threatened against us or our assets.

B. Business of the Issuer

SIC: 104 Gold and Silver Ores.

Secondary SIC 1041 Gold Ores

The "Company or "APEC") is an exploration stage company engaged in the search for commercially viable minerals and has not yet conducted operations.

Subsidiaries

On May 12, 2010 the Company incorporated the subsidiary Alaska Pacific Energy Canada Ltd. in the Province of Alberta, Canada as a part of the pending agreement with Energy Technologies, Inc. The agreement with Energy Technologies, Inc. was not closed. The subsidiary has no assets and is currently inactive.

Item 9: The nature of products or services offered

The Company is an exploration stage mining company and as such does not manufacture or otherwise create any product or offer services.

We are considered an exploration or exploratory stage company as we are involved in the examination and investigation of land that we believe may contain valuable minerals, for the purpose of discovering the presence of ore, if any, and its extent. There is no assurance that a commercially viable mineral deposit exists on any of the mining properties we are examining, and a great deal of further exploration will be required before a final evaluation as to the economic and legal feasibility for our future exploration is determined. At this time, we have no known reserves of any type of mineral.

Item 10: The nature and extent of the issuer's facilities.

The Company has no facilities other than rented office space. Our office is located at Unit 625, 2005 Costa Del Mar Road, Carlsbad CA, 92009. Our fiscal year end is January 31; our telephone number is (604) 462-8535

PART D MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION**Item 11: The name of the chief executive officer, members of the board of directors, as well as control persons.**

A. OFFICER AND DIRECTORS The Company's present officers and directors are as follows.

Name of Director or Executive Officer	<i>Current Position and Office</i>	Date Position Started & Term of Office	Number and Class of Shares Held
James R. King 250 H Street #76 Blaine, WA 98230	President, Secretary and Director	January 13, 2005 Term: one year	4,789,700 Common Shares
Timothea Welsh 250 H Street #76 Blaine, WA 98230	Director and Secretary	February 7, 2005 Term: one year	21,000,000 Common Shares

The following sets forth certain information concerning our officers and directors:

James R. King, President and Director: Mr. King has been the president and a director of the Company since its inception on January 13, 2005. His service term as president and director is for one year, but will continue in effect as long he is re-elected. He has more than 30 years of experience in a variety of organizational, business ownership, and management capacities. From 1966 to 1975 he was a partner in Pender Holdings Inc. and Magic Lake Estates Ltd., a private, Canadian recreational land development company and was heavily involved in every aspect of this project, from conception to completion including: land purchase; planning developments, surveying, hiring, organizing construction crews, supervising staff and subcontractors, developing of advertising, marketing and sales programs. Mr. King was responsible for the development and sale of 1,400 serviced properties associated with the development all delivered within budget and targeted time frame.

During the years 1970 to 1986, he was a partner in creating and developing, from a small business, a private architectural special interest, consumer and trade magazine " Select Home Designs and parallel home plan specialty business, Planners Plus Enterprises Ltd. This was sold to the communication and

publishing company, Southam Communications in 1984. It continues to be a publishing and home plan business, and is now owned by an American corporation

From 1985 to 1987 he was a partner in a company that took a consumer product from an inventor's idea through research and development to successful launch into the marketplace. This was a plastic injection mold process. Mr. King was involved with the engineering and manufacturing process as well as the planning and implementation of the company's marketing and merchandising strategy. Mr. King served as President of Kelly Kerr Energy Corp. (KYK.VSE) from 1987 to 1989. This was a public company exploring for oil and gas.

In February 1997 he entered into a consulting agreement with KIK Tire Technologies Inc., (KIK.CDNX) a public company listed on the Canadian Venture Stock Exchange. His primary responsibility was creation of the company's Investor relations program, and the raising of development capital. The consulting agreement expired in July 1998.

From 1998 until 2000, Mr. King undertook several small private consulting contracts to plan marketing programs for various consumer products, and also entered into a consulting agreement with FirstWirelessDirect Cellular Inc. a private company.

From August 1999 to January 2006, he was president of Pacific Rim Solutions, a private US corporation, that was developed as a vitamin sales company for which it developed a business web site. The private company was eventually sold in January 2006.

Mr. King founded Alaska Pacific Energy Corp. on January 13, 2005. During the first year of the Company's existence, most of his work consisted of organization and research on the claims that had been offered to the Company. From early January 2006, Mr. King has spent the majority of his time working for Alaska Pacific Energy Corp. and currently he spends approximately 80% of his business time directly working for the Company.

Timothea J. Welsh, Secretary and Director: Mrs. Welsh's service as a director for Alaska Pacific Energy Corp. began on February 7, 2005. Her service terms as a director and secretary are for one year, but will continue in effect as long she is re-elected. She has more than 15 years experience in management. From November 2002 to November 2007 she was area supervisor of LA SENZA Inc. (TSX: LSZ) La Senza is a Canadian incorporated specialty retailer company with approximately 1000 stores operating in North America. The company also franchises internationally. Stores are located in every province in Canada. In addition, 231 independently owned "La Senza" and "La Senza Girl" stores are operating in 20 other countries under license. During her time with La Senza, she was responsible for the operations of 8 of La Senza's stores. Her duties included management of sales, wage cost, human resources, staffing, shipping and receiving, merchandising, inventory control and customer service. From December 2001 to November 2002, Mrs. Welsh was store manager of "Silk and Satin" a private specialty retail store. As the store manager her responsibilities included all aspects of running the store. This included opening and closing procedures, hiring and termination of employees, store team motivation and development, wage cost controls, establishment and fulfillment of sales goals, shipping and receiving controls, store merchandising stock room organization, loss prevention (internal and external) inventory control; customer service, cash procedures and payroll. From January 1999 to December 2001 she was self-employed as a home-caregiver. From August 1995 to January 1999 she was store manager of Odin Books, a specialty bookstore catering to health and education professionals worldwide. Odin Books attends international conferences advertising and selling their books. Odin Books has an international mail order business as well as a store located in Vancouver, Canada. As the store manager her responsibilities included all aspects of running the store. From August 1991 to January 1995 she was employed at Mariposa Clothing Store, a private company, where she started as a manager trainee and eventually becoming store manager.

She holds a Computer Information Systems Diploma from Langara College in Vancouver, Canada. The program included training in a wide variety of computer programming languages, company systems, work in creating effective, efficient systems in all departments of a company, use of flow charts, management training including topics such as employee training, motivation, time management, employment regulations, employee recruitment and interviewing techniques. The business courses included work in accounting, marketing, statistics, cost controls, sales forecasting and analysis, target markets, demographics, public speaking and presentations.

Her duties for Alaska Pacific Energy Corp. include acting and fulfilling duties of a responsible director, working with the President in all aspects of helping to direct the company in its start up business affairs, assisting the president to set up filing systems and keep corporate record keeping up to date, creating accounts payable and receivable files and keeping them in good standing, generally supporting the president in building APEC. Ms. Welsh spends approximately 35% of her time working on the business of the Company.

Our directors are appointed for a one-year term to hold office until the next annual general meeting of our shareholders or until they resign or are removed from the board in accordance with our Articles of Incorporation. Our officers are appointed by our Board of Directors and hold office until they resign or are removed from office by the Board of Directors.

Control Persons

On February 15, 2012 the Company executed an agreement with Jason Monroe through his company, Polosway Inc. A British Columbia, Canada corporation whereby Polosway will act as a Business Advisory Consultant to Alaska Pacific Energy Corp. In this capacity Polosway acts as an advisor to management respecting the programs and activities of the Company including, but not limited to, advising on strategies, implementation and monitoring of the Company's business plan, development and maintenance of the Company's website, assistance with negotiations, sourcing and evaluation of potential acquisitions. For these services, Polosway received 100,000,000 restricted shares or 11.782% of the current issued and outstanding shares of the Company and James Monroe as beneficial owner of Polosway is therefore a Control Person.

Employees

Currently, our management team consists of two individuals: James R. King, who serves as the President, Treasurer and Director, Timothea Welsh who serves as Secretary and Director, On October 1, 2007, the Company signed a consulting agreement retaining an independent contractor, Geoffrey Armstrong, through his company, Kouzelne Mesto Ltd., to act as the Administrative Manager to the Company. Mr. Armstrong's company, Kouzelne Mesto Ltd. received 1,000,000 restricted Common Shares for his services. The Agreement terminated on November 1, 2009. Mr. Armstrong and his company continue to provide service on a month-to-month basis.

On November 1, 2009, the Company signed a Business Advisory Consulting Agreement with James Andrews. For his services, Mr. Andrews was granted a total of 5,000,000 restricted Common Shares of the Company, which vested as follows: 2,000,000 restricted Common Shares upon the signing of the agreement, 1,000,000 restricted Common Shares on December 1, 2009, 1,000,000 restricted Common Shares on January 1, 2010, and 1,000,000 restricted Common Shares on February 6, 2010. The shares are now fully vested.

Patents and Trademarks

We do not own, either legally or beneficially, any patent or trademark.

B. LEGAL/DISCIPLINARY HISTORY

None of our directors, executive officers and control persons have been involved in any of the following events during the past five years:

- any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
- being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities; or
- being found by a court of competent jurisdiction (in a civil action), the Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment or decision has not been reversed, suspended, or vacated.
- being subject to an order by a self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such person's involvement in any type of business or securities activities.

C. DISCLOSURE OF FAMILY RELATIONSHIPS

Timothea Welsh is the daughter of our president, James R. King. There are no other family relationships among our directors or executive officers.

D. DISCLOSURE OF RELATED PARTY TRANSACTIONS.

On February 7, 2006 the Company signed an Executive Services Agreement with James R. King to serve President, Chief Executive Officer, Director and Secretary. His primary functions would be to manage the domestic and international day-to day operations of the company and to act as Chairman of the Board of Directors. His compensation would include the right to purchase up to 5,000,000 common shares at a price of \$0.001 per share and cash compensation of \$3,000 per year. Mr. King has donated his services to the Company, and these fees have been waived and will not be paid. At the time of the signing of the Agreement, Mr. King held no shares. However, by virtue of the fact that Mr. King represented both side of the transaction, the Agreement was not at arms length.

On October 1, 2007, the Company signed a Business Consultant Services Agreement with Geoffrey Armstrong, through his company, Kouzelne Mesto Ltd., a company legally incorporated in the Czech Republic, to act as the Administrative Manager to the Company. Mr. Armstrong, through his company, Kouzelne Mesto Ltd. Neither Mr. Armstrong nor his company, Kouzelne Mesto Ltd. held any shares or any other interest in the Company and the Agreement was made at arms length. As of November 1, 2009, this Agreement was terminated and Mr. Armstrong no longer serves as the Company's Administrative Manager. However, Mr. Armstrong and his company, Kouzelne Mesto Ltd., continue to assist the Company on a month-to-month, as-needed basis.

On October 1, 2009, the Board of Directors approved an increase in Mr. King's compensation, to \$3,000 per month, pursuant to his Executive Services Agreement dated February 7, 2006. Mr. King is an officer and director of the Corporation and the decision to affect this increase in his compensation was not at arms length.

During the years ended January 31, 2011 and 2010, the Company was charged \$105,000 consulting fees by the President and CEO of the Company and \$95,938 consulting fees by companies controlled by then senior officers of the Company.

Included in prepaid expenses and deposits is amounts of \$107,977 (January 31, 2010 - \$0) advanced to the President and CEO of the Company for operating expenses.

It should be noted that none of the directors of the Company is independent.

E. Disclosure of Conflicts of Interest. None

Item 12: Financial information for the issuer's most recent fiscal period.

ITEM 8. FINANCIAL STATEMENTS

Alaska Pacific Energy Corp.

(A Development Stage Company)

UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in US Dollars)

April 30, 2012

C O N T E N T S

Consolidated Balance Sheets

Consolidated Statements of Operations

Consolidated Statements of Cash Flows

Consolidated Statements of Stockholders' Equity

Notes to the Unaudited Consolidated Financial Statements

Alaska Pacific Energy Corp.			
(An Exploration Stage Company)			
Balance Sheets			
		April 30,	January 31,
		2012	2012
		(unaudited)	(unaudited)
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and Cash equivalents	\$	1,108	\$ -
Prepaid Expenses		102,832	213
Other Receivables		20,476	8,576
Short Term Loan		36,000	36,000
Total Current Assets		160,416	44,789
Mining Claims		55,000	130,000
TOTAL ASSETS	\$	215,416	\$ 174,789
<u>LIABILITIES AND STOCKHOLDERS' EQUITY</u>			
CURRENT LIABILITIES			
Bank Indebtedness	\$	-	\$ 324
Accounts Payable and Accrued Liabilities		75,576	101,046
Due to Related Parties		105,930	152,819
Accrued Interest		11,192	9,579
Notes Payable		83,000	83,000
Total Current Liabilities		275,698	346,768
Total Liabilities		275,698	346,768
STOCKHOLDERS' EQUITY			
Common Stock, 778,786,968			
778,786,968 and 295,286,968 Shares Issued and Outstanding, respectively (Note 6)		798,787	295,287
Additional Paid-In Capital		1,189,184	1,432,784
Deferred Stock Compensation		(124,999)	(124,999)
Share Issuance Costs		(17,000)	(15,000)
Accumulated Other Comprehensive Loss		(2,518)	(2,518)
Deficit		(1,903,736)	(1,757,533)
Total Stockholders' Equity		(60,282)	(171,979)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$	215,416	\$ 174,789

The accompanying notes are an integral part of these consolidated financial statements.

Alaska Pacific Energy Corp.					
(An Exploration Stage Company)					
Statement of Operations					
					Cumulative Amounts From Beginning of Exploration Stage January 13, 2005 to April 30, 2012
	For the Three Months ended April 30,				
	2012	2011			
OPERATING EXPENSES					
General & Administrative	\$ 8,279	\$ 15,550	\$		433,176
Professional Fees	63,569	120,153			1,294,746
Investor Relations	72,742	-			82,751
Stock-based Compensation	-	-			38,021
Write-down of Mining Expenses	-	-			41,600
Total Operating Expenses	144,590	135,703			1,890,294
OTHER (INCOME) EXPENSES					
Foreign Exchange (Gain) Loss	-	-			2,100
Interest Expense	1,613	1,699			11,342
Total Other (Income) Expenses	1,613	1,699			13,442
NET LOSS	\$ 146,203	\$ 137,402	\$		1,903,736
NET LOSS PER SHARE BASIC & DILUTED	\$ 0.000	\$ 0.003			
Weighted average number of common shares outstanding	504,186,968	54175857			

Alaska Pacific Energy Corp.					
(An Exploration Stage Company)					
Statement of Other Comprehensive Loss					
					Cumulative Amounts From Beginning of Exploration Stage January 13, 2005 to April 30, 2012
	For the Three Months ended April 30,				
	2012		2011		
NET LOSS	\$ 146,203		\$ 137,402	\$	1,903,736
Currency translation adjustment	0		26		2,518
OTHER COMPREHENSIVE LOSS	\$ 146,203		\$ 137,428	\$	1,906,254

Alaska Pacific Energy Corp.
(An Exploration Stage Company)
Statement of Cash Flows

					Cumulative Amounts From Beginning of Exploration Stage January 13, 2005 to April 30, 2012
	For the Three Months ended April 30,				
	2012	2011			
Cash Flows From (Used in) Operating Activities					
Net Loss	\$ (146,203)	\$ (137,402)	\$	(1,903,736)	
Stock-based Compensation	-	-		38,020	
Amortization of deferred compensation	-	41,667		275,000	
Write-down of mining claims	-	-		41,600	
Shares issued for mining claim option	-	30,000		42,750	
Shares issued for services	120,000	-		371,000	
Shares issued for debt settlement	-	-		11,500	
Changes in working capital				-	
Prepaid expenses	(102,619)	92,551		(111,408)	
Other receivables	-	-		-	
Short-term loan	-	-		(36,000)	
Accounts Payable and accrued liabilities	(25,470)	864		75,577	
Non-cash interest	1,613	-		11,193	
Net Cash Flows From (Used in) Operating Activities	(152,679)	27,680		(1,184,504)	
Cash Flows From Investing Activities					
Cash for paid for mining claims	-	(30,000)		(16,600)	
Net Cash Flow From Investing Activities	-	(30,000)		(16,600)	
Cash Flows From Financing Activities					
(Repayment) advances from related parties	(46,889)	1,699		105,930	
Net Proceeds from issuance of capital stock	201,000	800		1,015,800	
Proceeds from promissory notes payable	-	-		100,000	
Repayment of promissory notes	-	-		(17,000)	
Net Cash Flows From Financing Activities	154,111	800		1,204,730	
Effect of Exchange Rate Changes on Cash	-	26		(2,518)	
Net Increase (decrease) in Cash and Cash Equivalents	1,432	(1,494)		1,108	
Cash and Cash Equivalents, beginning of period	(324)	1,615		-	
Cash and Cash Equivalents, end of period	\$ 1,108	\$ 121	\$	1,108	
Non-Cash Transactions					
Shares issued for services	\$ 140,000	\$ 250,000	\$	390,100	
Shares issued for mining claims	(75,000)	30,000		80,000	
Shares issued for settlement of debts	-	-		11,500	

Alaska Pacific Energy Corp.
(An Exploration Stage Company)
Statement of Stockholders' Equity
January 15, 2005 through April 30, 2012

	SHARES	AMOUNT	ADDITIONAL PAID-IN CAPITAL	SHARE ISSUANCE COSTS	DEFERRED STOCK COMPENSATION	ACCUMULATED OTHER COMPREHENSIVE LOSS	DEFICIT	TOTAL SHAREHOLDERS' EQUITY
Balance, inception-January 15, 2005	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Loss for the year	-	-	-	-	-	-	(125)	(125)
Balance, January 31, 2006	-	-	-	-	-	-	(125)	(125)
Shares issued for cash at \$0.001 pe share	2,000,000	2,000	-	-	-	-	-	2,000
Net Loss for the year	-	-	-	-	-	-	(250)	(250)
Balance, January 31, 2007	2,000,000	2,000	-	-	-	-	(375)	1,625
Shares issued for cash at \$0.001 per share	13,000,000	13,000	-	-	-	-	-	13,000
Shares issued for service at \$0.001 per share	1,000,000	1,000	-	-	-	-	-	1,000
Net Loss for the year	-	-	-	-	-	-	(7,390)	(7,390)
Balance, January 31, 2008	16,000,000	16,000	-	-	-	-	(7,765)	8,235
Shares issued for cash at \$0.10 per share	1,053,000	1,053	104,247	-	-	-	-	105,300
Shares issued for mining claim option	250,000	250	24,750	-	-	-	-	25,000
Net Loss for the year	-	-	-	-	-	-	(28,864)	(28,864)
Balance, January 31, 2009	17,303,000	17,303	128,997	-	-	-	(36,629)	109,671
Shares issued for services at \$0.001 per share	4,000,000	4,000	396,000	-	(400,000)	-	-	-
Amortization of deferred stock compensation	-	-	-	-	41,667	-	-	41,667
Net Loss for the year	-	-	-	-	-	-	(130,327)	(130,327)
Balance, January 31, 2010	21,303,000	21,303	524,997	-	(358,333)	-	(166,956)	21,011
Shares issued for cash at \$0.15 per share	2,730,000	2,730	944,791	(15,000)	-	-	-	947,521
Shares issued for service at \$0.35 per share	142,857	143	49,857	-	-	-	-	50,000
Amortization of deferred stock compensation	-	-	-	-	66,667	-	-	66,667
Accumulated other comprehensive loss	-	-	-	-	-	(1,659)	-	(1,659)
Net Loss for the year	-	-	-	-	-	-	(1,133,188)	(1,133,188)
Balance, January 31, 2011	24,175,857	24,176	1,519,645	(15,000)	(291,666)	(1,659)	(1,300,144)	(49,648)
Shares issued for mining claims at \$0.001 per share	30,000,000	30,000	-	-	-	-	-	30,000
Shares issued for cash at \$0.00233 per share	15,000,000	15,000	20,000	-	-	-	-	35,000
Shares issued for cash at \$0.00006975 per share	11,111,111	11,111	(3,361)	-	-	-	-	7,750
Shares issued for mining claims at \$0.001 per share	100,000,000	100,000	-	-	-	-	-	100,000
Shares issued for service at \$0.0001 per share	115,000,000	115,000	(103,500)	-	-	-	-	11,500
Amortization of deferred stock compensation	-	-	-	-	166,667	-	-	166,667
Accumulated other comprehensive loss	-	-	-	-	-	(859)	-	(859)
Net Loss for the year	-	-	-	-	-	-	(457,389)	(457,389)
Balance, January 31, 2012	295,286,968	295,287	1,432,784	(15,000)	(124,999)	(2,518)	(1,757,533)	(156,979)
Shares issued for cash at \$0.00122 per share	25,000,000	25,000	5,500	(500)	-	-	-	30,500
Shares issued for cash at \$0.0006308 per share	32,500,000	32,500	(12,000)	(500)	-	-	-	20,500
Shares issued for cash at \$0.0004032 per share	31,000,000	31,000	(18,500)	-	-	-	-	12,500
Shares issued for service at \$0.001 per share	100,000,000	100,000	-	-	-	-	-	100,000
Shares issued for cash at \$0.0003625 per share	40,000,000	40,000	(25,000)	(500)	-	-	-	15,000
Shares issued for cash at \$0.0005 per share	50,000,000	50,000	(25,000)	-	-	-	-	25,000
Shares returned to treasury and cancelled	(75,000,000)	(75,000)	-	-	-	-	-	(75,000)
Shares issued for service at \$0.002 per share	20,000,000	40,000	(20,000)	-	-	-	-	20,000
Shares issued for cash at \$0.0006154 per share	65,000,000	65,000	(25,000)	-	-	-	-	40,000
Shares issued for cash at \$0.0006462 per share	65,000,000	65,000	(22,500)	(500)	-	-	-	42,500
Shares issued for cash at \$0.0002833 per share	60,000,000	60,000	(43,000)	-	-	-	-	17,000
Shares issued for cash at \$0.0001700 per share	70,000,000	70,000	(58,100)	-	-	-	-	11,900
Accumulated other comprehensive loss	-	-	-	-	-	-	-	-
Net Loss for the period	-	-	-	-	-	-	(146,203)	(146,203)
Balance, April 30, 2012	778,786,968	\$ 798,787	\$ 1,189,184	\$ (17,000)	\$ (124,999)	\$ (2,518)	\$ (1,903,736)	\$ (43,282)

Alaska Pacific Energy Corp.
(An Exploration Stage Company)
Notes to Consolidated Financial Statements
April 30, 2012

1. NATURE ORGANIZATION OF OPERATIONS

Basis of Presentation

The accompanying unaudited consolidated financial statements, expressed in US dollars, have been prepared in accordance with accounting principles generally accepted in the United States of America and the rules and regulations of the United States Securities and Exchange Commission for audited financial information.

Organization

Alaska Pacific Energy Corp. (the "Company"), was incorporated under the laws of the State of Nevada on January 13, 2005 and is engaged in the acquisition, exploration and development of resource properties. The Company has not yet determined whether their properties contain enough mineral reserves, such that their recovery would be economically viable. Further, the Company is considered a development stage Company as defined in accordance with accounting guidance, FASB ASC 915, "Development Stage Entities," and has not, thus far, commenced planned principal operations. On May 12, 2010, the Company incorporated its wholly owned subsidiary, Alaska Pacific Energy Canada Ltd. under the laws of Alberta, Canada.

The unaudited consolidated financial statements included the accounts of the Company and its wholly owned subsidiary and all inter-company transaction and balance have been eliminated.

Going Concern

These unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America applicable to a going concern which assumes that the Company realize its asset and discharge its liabilities in the normal course of business. The Company has no revenue source and is dependent on financing to sustain operations and pay for future commitments related to the mineral option, and might not have sufficient working capital for the next twelve months. As shown in the accompanying unaudited consolidated financial statements, the Company incurred a net loss of \$146,203 (2011 - \$137,402) for the three months ended April 30, 2012. The Company has an accumulated deficit of \$1,903,736 as at April 30, 2012. In addition, the Company's current liabilities exceeded its current assets by \$115,282 at April 30, 2012. These factors create substantial doubt as to the ability of the Company to continue as a going concern. Realization values may be substantially different from the carrying values as shown in these financial statement should the Company be unable to continue as a going concern. Management is in the process of identifying sources for additional financing to fund the ongoing development of the Company's business. As of April 30, 2012, the Company had cash and cash equivalents of \$13,008. The accompanying financial statements do not include any adjustments related to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result from the outcome of this uncertainty.

The Company will require additional funding during the next twelve months to finance the growth of its current operations and achieve its strategic objectives. Management is actively pursuing additional sources of financing sufficient to generate enough cash flow to fund its operations through 2012 and 2013. However management cannot grant any assurances that such financing will be secured. Information on the Company's working capital deficiency and deficit is:

		April 30, 2012		January 31, 2012
Working capital deficiency	\$	(115,282)	\$	(301,979)
Deficit	\$	1,903,736	\$	1,757,533

Alaska Pacific Energy Corp.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates

The preparation of financial statements in conformity with US GAAP 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 dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from these estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, and all highly liquid debt instruments purchased with a maturity of three months or less.

Exploration and Development Costs

Exploration costs are charged to operations as incurred.

When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop the mine on the property prior to the start of the mining operations are capitalized. Capitalized amounts may be written down if future undiscounted cash flows, including potential sales proceeds, related to mineral property are estimated to be less than the carrying value of the property. At April 30, 2012, the Company had no exploration and development costs; however, the Company did capitalize mining option costs as disclosed in Resource Property below.

Stock-Based Compensation

In December 2004, FASB issued FASB ASC 718 (Prior authoritative literature: SFAS No. 123R, "Share Based Payment"). FASB ASC 718 establishes standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses standards for the accounting for transactions in which an entity exchanges its equity instruments for goods or services. It also addresses transactions in which an entity incurs liabilities in exchange for goods or services that are based on the fair value of the entity's equity instruments or that may be settled by the issuance of those equity instruments. FASB ASC 718 focuses primarily on accounting for transaction cost relating to share-based payment transactions be recognized in the financial statements. That cost will be measured based on the fair value of the equity or liability instruments issued.

The Company's accounting policy for equity instruments issued to consultants and vendors in exchange for goods and services follows the provisions of FASB ASC 505-50 (Prior authoritative literature: EITF 96-18, "Accounting for Equity Instruments that are Issued to Other Than Employees for Acquiring, or in conjunction with Selling, Goods, Services" and EITF 00-18, "Accounting recognition for Certain Transactions Involving Equity Instruments Granted to Other Than Employees"). The measurement date for the fair value of the equity instruments issued is determined at the earlier of (i) the date at which a commitment for performance by the consultant or vendor is reached or (ii) the date at which the consultant or vendor's performance is complete. In the case of equity instruments issued to consultants, the fair value of the equity instrument is recognized over the term of the consulting agreement. Stock-based compensation related to non-employee is account for based on the fair value of the related stock or options or the fair value of the services, whichever is more readily determinable in accordance with FASB ASC 718.

The Company uses the Black-Scholes-Merton ("BSM") option-pricing model to determine the fair-value of stock-based awards under accounting pronouncements, consistent with that used for pro forma disclosures under previous guidance for

Alaska Pacific Energy Corp.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Stock-Based Compensation (continued)

Accounting for Stock-Based Compensation. The Company has elected the modified prospective transition method as permitted by accounting pronouncement and accordingly prior periods have not been restated to reflect the impact of accounting pronouncement. The modified prospective transition method requires that stock-based compensation expense be recorded for all new and unvested stock options, restricted stock, restricted stock units, and employee stock purchase plan shares that are ultimately expected to vest as the requisite service. Stock-based compensation expense for awards granted prior to January 1, 2006 is based on the grant date fair-value as determined under the pro forma provisions of previous accounting pronouncement. As the Company incorporated on January 13, 2005 and did not grant any stock options, no pro forma information is provided. Resource property acquisition costs are capitalized until the viability of the mineral interest is determined. Capitalized acquisition costs are expensed in the period in which it is determined that the mineral property has no future economic value.

Resource Properties

Capitalized amounts may be written down if future cash flows, including potential sales proceeds, related to the property are estimated to be less than the carrying value of the property. Management of the Company reviews the carrying value of each resource property interest periodically, and whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Reductions in the carrying value of each property would be recorded to the extent the carrying value of the investment exceeds the estimated future net cash flows. At April 30, 2012, the Company had capitalized mining claim costs of \$55,000 (January 31, 2012 - \$130,000).

The Company has been in the exploration stage since its formation on January 13, 2005 and has not yet realized any revenues from its planned operations. Mineral property acquisition and exploration costs are charged to operations as incurred. When it has been determined that a mineral property can be economically developed as a result of establishing proven and probable reserves, the costs incurred to develop such property, are capitalized. Such costs will be amortized using the units-of-production method over the estimated life of the probable reserve.

In the event that facts and circumstances indicate that the costs of long-lived assets, other than mining properties, may be impaired, and evaluation of recoverability would be performed. If an evaluation is required, the estimated future undiscounted cash flows associated with the asset would be compared to the asset's carrying amount to determine if a write-down to market value or discounted cash flow value is required. Impairment of mining properties is evaluated subject to the full cost ceiling as described under mining Properties.

Foreign Currency Translation

The Company's subsidiary functional currency is Canadian dollars. Transactions in other currencies are recorded in Canadian dollars at the rates of exchange prevailing when the transactions occur. Monetary assets and liabilities denominated in other currencies are translated into Canadian dollars at rates of exchange in effect at the balance sheet dates. Exchange gains and losses are recorded in the statements of operations.

At the period end, the subsidiary's assets and liabilities are translated into the U.S. dollars at exchange rates at the balance sheet date, equity accounts are translated at historical exchange rate and revenues and expenses are translated by using the average exchange rates. Accumulated translation adjustments are reported as a separate component of other comprehensive income (loss) in the consolidated statements of stockholders' equity (deficiency).

Alaska Pacific Energy Corp.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income Taxes

The Company has adopted SC740, "Income Taxes", which requires the Company to recognize deferred tax liabilities and assets for the expected future tax consequence of events that have been recognized in the Company's financial statements or tax returns using the liability method. Under this method, deferred tax liabilities and assets are determined based on the temporary differences between the financial statements and tax bases of assets and liabilities using enacted tax rates in effect in the year in which the differences are expected to reverse.

Net Income (Loss) per Common Share

Basic income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares outstanding during the year. Diluted income (loss) per share is calculated using the treasury stock method and reflects the potential dilution of securities by including stock options, special warrants, and contingently issuable shares, if any, in the weighted average number of common shares outstanding for a year, if dilutive. In a loss year, potential dilutive common shares are excluded from the loss per share calculation as the effect would be anti-dilutive. Accordingly, basic and diluted loss per share is the same for the loss year.

Fair Value Measurements and Financial Instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – inputs that are not based on observable market data.

The Company's financial instruments include cash and cash equivalents, other receivables, accounts payable and accrued liabilities, due to related party, promissory note payable and accrued interest. Fair values were assumed to approximate carrying values for these financial instruments due to their short-term nature. Management is of the opinion that the Company is not exposed to significant interest, credit or currency risks arising from these financial instruments.

Recent Accounting Pronouncements

In February 2010, the FASB issued ASC No. 2010-09, "Amendments to Certain Recognition and Disclosure Requirements", which eliminates the requirement for SEC filers to disclose the date through which an entity has evaluated subsequent events. ASC No. 2010-09 is effective for its fiscal quarter beginning after 15 December 2010. The adoption of ASC No. 2010-09 is not expected to have a material impact on the Company's financial statements.

In April 2010, the FASB issued ASU 2010-13, "Compensation—Stock Compensation (Topic 718): Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades," or ASU 2010-13. This ASU provides amendments to Topic 718 to clarify that

Alaska Pacific Energy Corp.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements (continued)

an employee share-based payment award with an exercise price denominated in currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a

market, performance, or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-13 to have a significant impact on its financial statements.

In April 2010, the FASB codified the consensus reached in Emerging Issues Task Force Issue No. 08-09, "Milestone Method of Revenue Recognition." FASB ASU No. 2010-17 "Revenue Recognition – Milestone Method (Topic 605)" provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research and development transactions. FASB ASU No. 2010 – 17 is effective for fiscal years beginning on or after June 15, 2010, and is effective on a prospective basis for milestones achieved after the adoption date. The Company does not expect this ASU will have a material impact on its financial position or results of operations.

In August 2010, the FASB issued ASU No. 2010-21, Accounting for Technical Amendments to Various SEC Rules Technical Amendments to Rules, Forms, Schedules and Codification of Financial Reporting Policies and became effective upon issuance. The adoption of ASC No. 2010-21 did not have a material impact on the Company's financial statements.

In August 2010, the FASB issued ASU No. 2010-22, Accounting for Various Topics Technical Corrections to SEC Paragraphs. This Update amends various SEC paragraphs and became effective upon issuance. The adoption of ASC No. 2010-22 did not have a material impact on the Company's financial statements.

In December 2010, the FASB issued ASU No. 2010-28, Intangibles Goodwill and Other (Topic 350): When to Perform Step 2 of the Goodwill Impairment Test for Reporting Units with Zero or Negative Carrying Amounts - a consensus of the FASB Emerging Issues Task Force. This Update amends the criteria for performing Step 1 of the goodwill impairment test for reporting units with zero or negative carrying amounts and requires performing Step 2 if qualitative factors indicate that it is more likely than not that a goodwill impairment exists. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The adoption of ASC No. 2010-28 is not expected to have a material impact on the Company's financial statements.

In December 2010, the FASB issued ASU No. 2010-29, Business Combinations (Topic 805): Disclosure of Supplementary Pro Forma Information for Business Combinations. This Update clarifies that, when presenting comparative financial statements, SEC registrants should disclose revenue and earnings of the combined entity as though the current period business combinations had occurred as of the beginning of the period only. The Update also expands the supplemental pro forma disclosures to include a description of the nature and amount of material, nonrecurring pro forma adjustments directly attributable to the business combination included in the reported pro forma revenue and earnings. The amendments in this Update are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The adoption of ASC No. 2010-29 is not expected to have a material impact on the Company's financial statements.

In May 2011, the FASB issued ASU No. 2011-04, Fair Value Measurement (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs. This Update resulted in

Alaska Pacific Energy Corp.
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2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recent Accounting Pronouncements (continued)

common requirements for measuring fair value and for disclosing information about fair value measurements, including a consistent meaning of the term —fair value. ASU 2011-04 is effective for interim and annual periods beginning after December 15, 2011. The adoption of ASC No. 2011- 04 is not expected to have a material impact on the Company's financial statements. Other accounting pronouncements that have been issued or proposed by the

FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's financial statements upon adoption.

3. MINING CLAIMS

Whitton Township and Gayhurst Township in Province of Quebec Mining Claims – Canada

The Company entered into an option agreement dated June 26, 2008 to acquire a 100% interest in three groups of mineral claims with 21, 28 and 12 claims, respectively, in Whitton Township and Gayhurst Township, Province of Quebec, Canada. Pursuant to the agreement, the Company paid \$16,600 and issued 250,000 common shares at \$0.10 per share on July 15th 2008 for the first payment. The second cash payment in amount of \$16,600 and 250,000 common shares issuance was to be executed on or before July 15, 2009. The Company signed an extension for the second payment to July 15, 2010 pursuant to the agreement to purchase the claims.

During the year ended January 31, 2011, the Company did not make the second option payment and the related mining claims had also lapsed and expired. The Company wrote off the related capitalized cost of \$41,660.

On January 12, 2011 the Company signed an Option Agreement between the Company and Sundance Gold Ltd., ("SUN") to acquire an 80% legal and beneficial interest in certain primary mining and prospecting licenses (the "Property") located in the Handeni area of the Republic of Tanzania.

Pursuant to the Option Agreement with SUN, the Option may be exercised, at the sole discretion of the Company, to acquire an undivided 100% of SUN's 80% legal and beneficial interest in the Property, free and clear of all encumbrances for the full price and consideration of payment to SUN of the sum of \$3,150,000 (the "Payment"), the expenditure by the Company of a total of \$3,500,000 in exploration work on the Property (the "Work") and the issuance to SUN of 30,000,000 common shares (issued) of \$0.001 par value in the capital stock of the Company as constituted as of January 11th, 2011 (the "Shares"). Upon the completion of the Payments, the payment of the Shares and the completion of the Work, the Company may exercise the Option by delivering to SUN written notice of the Company's intention to exercise the Option.

The Payment shall be made to SUN as follows:

- (a) \$75,000 upon the execution of this Agreement(not paid);
- (b) \$75,000 as soon as possible after all regulatory filings have been completed and in any case no later than March 1, 2011(not paid)
- (c) A further payment of \$250,000 on or before 6 months after March 31, 2011(not paid);
- (d) A further payment of \$500,000 on or before 12 months after March 31, 2011 (not paid);
- (e) A further payment of \$750,000 on or before 24 after March 31, 2011;

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3. MINING CLAIMS (continued)

- (f) A further payment of \$1,500,000 on or before 36 months after March 31, 2011;

The Work on the Property shall be carried out and paid for, to a minimum value, as follows:

- (a) a work program of \$500,000 on or before the first anniversary of this agreement;
- (a) a further \$1,000,000 on or before the second anniversary of this agreement for development expenses
- (b) a further \$2,000,000 on or before the third anniversary of this agreement for development expenses.

Any excess in the amount of Work required to be incurred by the end of a particular period may be carried forward and credited towards future cumulative aggregate Work requirements.

The Shares shall be issued to SUN as follows:

- (a) 10,000,000 Shares on or before January 31st 2011(issued);
- (b) A further 20,000,000 Shares on or before February 14th 2011(issued).

Should the Option Agreement not be exercised by either Party, all 30,000,000 common shares that have been granted to SUN shall be returned to the Company within 7 days, for cancellation. On January 25, 2011, the Company issued 30,000,000 common shares of the Company at \$0.001 or valued at \$30,000. As at April 30, 2012, the Company is in default of the Option Agreement and plans to remedy the situation in the near future.

4. SHORT TERM LOANS

During the fiscal year ended January 31, 2012, the Company signed loan agreements with John Nava (the "Borrower"), a total of \$36,000 was advanced to the Borrower. The Company signed loan agreements with a director of the Company and the CEO of the Company to borrow \$5,000 and \$16,000, respectively, and forwarded these amounts to the Borrower. The Company paid back \$5,000 to a director of the Company and \$12,006 to CEO of the Company, respectively. Subsequent to the year end, the Company paid back the outstanding amount of \$3,994 to the CEO of the Company. These loans were unsecured, non-interest-bearing and due on demand.

As of April 30, 2012, the Company loaned \$36,000 to David John Nava.

5. NOTE PAYABLE

On January 9, 2010, the Company received \$10,000 from Ms. Sally Alston ("the lender") pursuant to a promissory note payable. The note bears interest at 6% per annum, and is due on demand. On January 31, 2010, the Company entered into an additional promissory note with Ms. Sally Alston in an amount of \$2,000 bearing interest of 6% per annum and is due on demand. On February 1, 2010, the Company received \$2,000 from Ms. Sally Alston pursuant to this promissory. On June 11, 2010, the Company paid back \$2,000 of principal plus \$150 accrued interests on demand to this lender. On February 25, 2010, the Company entered into another additional convertible promissory note with Ms. Sally Alston and received in the amount of \$5,000 bearing interest of 10% per annum. The promissory note and interest are due and will be paid on demand. Under the agreement when demand for payment is presented to the Company, providing 10 clear days notice in written are give to the Company, the lender has the option to convert this loan outstanding at a deemed price of \$0.15 into Company's common stock. On April 27, 2010, the Company paid back \$15,000 of principal on demand to this lender. As of April 30, 2012, the Company repaid back the principal in full and accrued total interest of \$254 (January 31, 2010 - \$254) which is outstanding.

Alaska Pacific Energy Corp.
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5. NOTE PAYABLE (continued)

On February 22, 2010, the Company entered into a convertible promissory note with Mike Moustakis in amount of \$4,200 bearing interest of 6% per annum. The promissory note and interest are due and will be paid on demand.

Under the agreement when demand for payment is presented to the Company, providing 15 clear days notice in written are given to the Company, the lender has the option to convert this loan outstanding at a deemed price of \$0.15 per share of Company's common shares. The Company received \$4,200 (CAD\$4,340) from the lender pursuant to the promissory note. On April 22, 2011, the Company received an additional \$800 from lender pursuant to the promissory note. As of April 30, 2012, the Company owed \$5,000 in principal and accrued interest of \$594 (January 31, 2012 - \$520).

The Company did not incur beneficial conversion charges for the above noted convertible promissory notes because the conversion price is great than the fair value of the Company's equity at the date of the convertible promissory note was issued.

On August 2, 2010, the Company entered into a convertible debenture with Asher Enterprises, Inc. in amount of \$53,000 bearing interest of 8% per annum due 9 months after issuance. The promissory note is convertible into the shares of common stock of the Company during the term of the promissory note at the variable conversion price, which equals to 58% multiplied by the market price. Market price means the average of the lowest three trading price for the common stock during the ten trading day period ending one trading day prior to the date of conversion notice. On August 16, the Company received the principal debenture of \$53,000. As of April 30, 2012, the interest accrued on this debenture was \$7,237 (January 31, 2012 - \$6,192) and the total amount payable (interest and principal) is \$60,237 (January 31, 2012 - \$59,192), convertible into 148,366,995 (January 31, 2012 -90,048,015) shares of the Company's common stock.

On December 2 , 2010, the Company entered into a second convertible debenture with Asher Enterprises, Inc. in amount of \$25,000 bearing interest of 8% per annum due 9 months after issuance. The promissory note is convertible into the shares of common stock of the Company during the term of the promissory note at the variable conversion price, which equals to 58% multiplied by the market price. Market price means the average of the lowest three trading price for the common stock during the ten trading day period ending one trading day prior to the date of conversion notice. On December 12, the Company received the principal debenture of \$25,000. As of April 30, 2012, the interest accrued on this debenture was \$2,761 (January 31, 2012 - \$2,268) and the principal and accrued interest due of \$27,761 were convertible into 68,377,218 (January 31, 2012 - 41,483,509) shares of the Company's common stock.

6. CAPITAL STOCK

Authorized

The total authorized is 2,000,000,000 common shares with a par value of \$0.001 per common stock.

We executed a change in Authorized Share Capital from 300,000,000 common shares with a par value of \$0.001 to 600,000,000 common shares with a par value of \$0.001 dated October 4, 2011 was accomplished through the adoption, by Alaska Pacific Energy Corp., majority shareholders, of a resolution which authorized Alaska Pacific Energy Corp., to complete the change in authorized capital. A total of seven shareholders of representing 86.6% or 181,178,216 common shares approved and authorized the amendment to the Articles of Incorporation

Additionally, on April 5, 2012, holders of a majority of the shares of common stock of 52.34% acted by written consent in lieu of a special meeting of shareholders to adopt and approve an amendment to the Certificate of Incorporation to increase the number of authorized common stock from 600,000,000 to 2,000,000,000 with a par value of \$0.001 per common share.

Alaska Pacific Energy Corp.
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6. CAPITAL STOCK (continued)

Issued and Outstanding

In May 2006 the Company issued 2,000,000 shares of the common stock for cash at \$0.001 per share.

In September 2007 the Company issued 10,000,000 shares of the common stock for cash at \$0.001 per share.

In October 2007 the Company issued 1,000,000 shares of the common stock for services, valued at \$0.001 per share or \$1,000.

In October 2007 the Company issued 3,000,000 shares of the common stock for cash at \$0.001 per share.

In February and March 2008 the Company issued 1,053,000 shares of the common stock for cash at \$0.10 per share.

In July 2008 the Company issued 250,000 shares of the common stock for a mining claim option, valued at \$0.10 per share or \$25,000. The Company is a private entity and is currently going public. Due to this reason, they do not have stock trading history with which to value the share issuance for the mining claim option. However, the Company issued some common shares for cash at a price of \$0.10 per share during 2008 and has used this same value for the share issuance for the mining claim option.

On November 1, 2009, the Company issued 2,000,000 shares of the common stock upon the signing of the business advisory consulting valued at \$0.10 per share or \$200,000.

On December 1, 2009, the Company issued additional 1,000,000 shares of the common stock for service, valued at \$0.10 per share or \$100,000, upon the business advisory consulting agreement made on November 1, 2009.

On February 6, 2010, the Company issued 1,000,000 shares of common stock of the Company valued at \$0.10 per share or \$100,000, pursuant to a business advisory consulting agreement dated November 1, 2009.

On February 6, 2010, the Company issued 1,000,000 shares of common stock of the Company valued at \$0.10 per share or \$100,000, pursuant to a business advisory consulting agreement dated November 1, 2009.

On February 26, 2010, Nanita Holding Ltd., George Skrivanos, and Anastasios Koutsoumbos authorized to affect the share cancellation of 2,000,000, 1,000,000 and 1,000,000 common stocks of the Company, respectively which were originally issued in 2007.

On March 11, 2010, the board of directors of the Company approved the issuance of 1,000,000 shares of common stock of the Company to a director and officer of the Company for services provided to the Company. The shares were issued in accordance with Regulation S of the Securities Act of 1933 and valued at \$0.10 per share or \$100,000.

On March 18, 2010, pursuant to the License Agreement, the Company issued 15,000,000 restricted common shares of the Company to ENTEC at a deemed price of \$0.05 per share or \$750,000. On October 31, 2010, the Company canceled the 15,000,000 shares due to termination of the Agreement.

On April 1, 2010, the Company issued 25,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,750.

On April 16, 2010, the Company issued 1,333,333 shares of common stock of the Company for cash valued at \$0.15 per share or \$200,000.

Alaska Pacific Energy Corp.
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6. CAPITAL STOCK (continued)

Issued and Outstanding (continued)

On May 14, 2010, the Company issued 35,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$5,250.

On May 17, 2010, the Company issued 20,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,000.

On October, 2010, the Company issued 1,316,667 shares of common stock of the Company for cash valued at \$0.15 per share or \$197,500.

On October 2010, the Company issued 142,857 shares of common stock of the Company for services provided valued at \$0.35 per share or \$50,000.

On January 25, 2011, the Company issued 30,000,000 common shares of the Company for mining property at \$0.001 or valued \$30,000.

On June 26, 2011, the Company issued 100,000,000 common shares of the Company for mining claim options valued at \$0.001 per common share or \$100,000.

In July 2011, the Company issued 45,000,000 common stocks of the Company valued at \$0.0001 per common stock or \$4,500 for the settlement of the debts transferred from Anna Skokan to Surf Financial Group, LLC. In September, the Company issued 70,000,000 shares of the common stocks of the Company valued at \$0.0001 per common stock or \$7,000 for additional debts settlement. There were 5,000,000 shares of which were over issued.

In December, the Company issued 20,000,000 common shares of the Company for additional debts valued at \$0.0001 per share or \$2,000 and then the 20,000,000 shares were canceled on February 16, 2011.

On December 20, 2011, the Company issued 15,000,000 common share of the Company for cash valued at @0.00233 per common share or \$35,000.

On January 11, 2012, the Company issued 11,111,111 commons shares of the Company for cash valued at \$0.0006975 per share or \$7,750.

On February 3, 3012, the Company issued 25,000,000 common shares of the Company for cash valued at \$0.00122 per common share or \$30,500.

On February 22, 2012, the Company issued 32,500,000 common shares of the Company for cash valued at \$0.0006308 per common share or \$20,500.

On February 29, 2012, the Company issued 31,000,000 common shares of the Company for cash valued at \$0.0004032 per common share or \$12,500.

On March 8, 2012, the Company issued 100,000,000 common shares of the Company for services at \$0.001 per common share or \$100,000. These shares are restricted for a period of one year.

On March 8, 2012, the Company issued 40,000,000 common shares of the Company for cash valued at \$0.0003625 per common share or \$15,000.

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6. CAPITAL STOCK (continued)

Issued and Outstanding (continued)

On March 15, 2012, the Company issued 50,000,000 common shares of the Company for cash valued at \$0.0005 per common share or \$25,000.

On April 4, 2012, the Company issued 20,000,000 common shares of the Company for services valued at \$0.002 per common share or \$40,000. These shares are restricted for a period of one year.

On April 9, 2012, the Company issued 65,000,000 common shares of the Company for cash valued at \$0.0006154 per common share or \$40,000.

On April 9, 2012, the Company issued 65,000,000 common shares of the Company for cash valued at \$0.0006462 per common share or \$42,500.

On April 19, 2012, the Company cancelled 75,000,000 common shares of the Company, originally issued for mining claims, valued at \$0.001 per common share or \$75,000

On April 23, 2012, the Company issued 60,000,000 common shares of the Company for cash valued at \$0.0002833 per common share or \$17,000.

On April 30, 2012, the Company issued 70,000,000 common shares of the Company for cash valued at \$0.0001700 per common share or \$11,900. The funds were received subsequent to the quarter end.

Deferred Stock Compensation

On November 1, 2009, the Company entered into a business advisory consulting agreement with James Andrews. The Company agreed to issue the consultant a total of 5,000,000 restricted common shares of the Company vesting as follows: 2,000,000 restricted Common Shares upon the signing of this agreement, 1,000,000 restricted Common Shares on December 1, 2009, 1,000,000 restricted Common Shares on January 1, 2010, and rest of 1,000,000 restricted Common Shares on February 6, 2010 for his services over 3 years, commencing on November 1, 2009. The Company used the straight-line amortization method to amortize the entire 5 million shares over the three-year service period. As of April 30, 2012 and January 31, 2012, the Company recorded deferred stock compensation of \$124,999 and \$124,9099 for the issuance of 5,000,000 common stocks or \$500,000.

On July 27, 2010, the Company signed an Investor Relations/Media Consulting Agreement with Longview Communications Corp ("Consultant") for the services effective from July 27, 2010 through August 27, 2010. The Company agreed to pay \$50,000 for consultants work in the form of cash, and 142,857 restricted shares (rule 144) of its common stock, as total and complete consideration for the services to be provided by the consultant to the Company. Payment in full shall be due no later than July 27, 2010. The Company paid \$50,000 in cash and committed to issue 142,857 common shares of the Company. As at January 31, 2011, the Company credited additional paid-in capital and charged deferred stock based compensation of \$50,000 and \$50,000, respectively, for the above noted 142,857 common shares committed to be issued. As of April 30, 2012, the Company issued 142,857 commons share and amortized \$50,000.

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6. CAPITAL STOCK (continued)

Stock options

On May 1, 2010, the Company granted a total of 3,200,000 stock options to the consultants of the Company at the exercise price of \$0.25 per share. The options will be vested immediately and will expire on April 30, 2012. On December 2010, the Company canceled 3,000,000 stock options to the consultants of the Company.

On December 1, 2010 Stewart LaRocque was re-issued a new Option Agreement in the amount of 300,000 common shares at a price of \$0.30 per share. The expiry date is November 20, 2013.

The Company estimates the fair value of each stock option at a grant date by using the Black-Scholes option pricing model pursuant to FASB ASC718, "Share Based Payment" and the following assumptions: expected term of 2 years, a risk-free interest rate of 0.97%, a dividend yield of 0% and volatility of 117%. Under the provisions of SFAS ASC718 stock based compensation expenses of \$ was recorded for the period ended April 30, 2012 (2011 – nil)

The following table summarizes the changes in options issued and outstanding:

	Number of Options	Weighted Average Exercise Price
Opening as of January 1, 2010	-	\$ -
Granted	3,200,000	0.25
Granted 300,000	300,000	0.30
Canceled	(3,000,000)	0.25
Outstanding as of January 31, 2011 and 2012	500,000	\$ 0.28
Expired	(200,000)	0.25
Outstanding as of April 30, 2012	300,000	\$ 0.30

7. RELATED PARTY TRANSACTIONS

Related party transactions are in the normal course of operations, occurring on terms and conditions that are similar to those of transactions with unrelated parties and, therefore, are measure at the exchange amount.

During the three months ended April 30, 2012, the Company was charged \$45,000 (2011 - \$45,000) for consulting services by the President and CEO of the Company, and \$1,534 (2011 – nil) for consulting services by a senior officer of the Company.

Included in prepaid expenses, the amount of \$18,466 (January 31, 2012 -nil) relates to the consulting services paid for by the issuance of capital stock.

As at April 30, 2012, the amount to due to the President and CEO of the Company was \$105,930 (January 31, 2012 - \$141,302), and to a director of the subsidiary of the Company for management fees and operation expenses, \$Nil (January 31, 2012 - \$11,500).

8. INCOME TAXES

The Financial Accounting Standards Board (FASB) has issued FASB ASC 740-10 (Prior authoritative literature: Financial Interpretation No. 48, "Accounting for Uncertainty in Income Taxes - An Interpretation of FASB Statement No. 109 (FIN 48)). FASB ASC 740-10 clarifies the accounting for uncertainty in income taxes recognized in an enterprise's financial statements in accordance with prior literature FASB Statement No. 109, Accounting for Income Taxes. This standard requires a company to determine whether it is more likely than not that a tax position will be sustained upon examination based upon the technical merits of the position. If the more-likely-than- not threshold is met, a company must measure the tax position to determine the amount to recognize in the financial

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8. INCOME TAXES (continued)

statements. As a result of the implementation of this standard, the Company performed a review of its material tax positions in accordance with recognition and measurement standards established by FASB ASC 740-10. Deferred taxes are provided on a liability method whereby deferred tax assets are recognized for deductible temporary differences and operating loss and tax credit carry forwards and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax basis. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Deferred tax assets and the valuation account are as follows:

				January 13, 2005 (Date of Inception)
	For the Three Months ended April 30,			to April 30,
	2012	2011		2012
Operating loss carried forward	\$ 1,757,533	\$ 1,300,144	\$	-
Operating loss for the period	146,203	137,402		1,903,736
	1,903,736	1,437,546		1,903,736
Statutory tax rate	34%	34%		34%
Net deferred tax asset	-	-		-
Valuation allowance	\$ (1,903,736)	\$ (1,437,546)	\$	(1,903,736)

The Company has adopted FASB ASC 740-10 to account for income taxes. The Company currently has no issues creating timing differences that would mandate deferred tax expense. Net operating losses would create possible tax assets in future years. Due to the uncertainty of the utilization of net operating loss carry forwards, an evaluation allowance has been made to the extent of any tax benefit that net operating losses may generate. A provision for income taxes has not been made due to net operating loss carry-forwards of \$1,903,736 and \$1,437,546 as of April 30, 2012 and 2011, respectively, which may be offset against future taxable income through 2031. No tax benefit has been reported in the financial statements.

9. COMMITMENTS

On December 1 2010, the Company entered into a consulting services agreement with Bambamarca Mining ("Consultant") for certain management consulting services, business advisory services, shareholder information services and public relations services provided as required by the Company, effective from the signing date of the agreement for a two year period. The Company agreed to pay the Consultant 5,000,000 restricted common shares of the Company and a fee of \$5,000 CDN every month for a period of 7 months. Payment of \$2,500 were to be made on

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9. COMMITMENTS (continued)

the first and 15th of every month. The Company paid \$5,000 in cash. Subsequent to the quarter ended April 30, 2012, the Company canceled the agreement on November 2, 2011 effective from January 1, 2011.

On January 12, 2011 Alaska Pacific Energy Corp. (the "Company") (OTCBB:ASKEE), announced that it had signed an Option Agreement between the Company and Sundance Gold Ltd., ("SUN") to acquire an 80% legal and beneficial interest in certain primary mining and prospecting licenses (the "Property") located in the Handeni area of the Republic of Tanzania.

Pursuant to the Option Agreement with SUN, the Option may be exercised, at the sole discretion of the Company, to acquire an undivided 100% of SUN's 80% legal and beneficial interest in the Property, free and clear of all encumbrances for the full price and consideration of payment to SUN of the sum of \$3,150,000 (the "Payment"), the expenditure by the Company of a total of \$3,500,000 in exploration work on the Property (the "Work") and the issuance to SUN of 30,000,000 common shares of \$0.001 par value in the capital stock of the Company as constituted as of January 11th, 2011 (the "Shares"). Upon the completion of the Payments, the payment of the Shares and the completion of the Work, the Company may exercise the Option by delivering to SUN written notice of the Company's intention to exercise the Option.

The Payment are to be made to SUN as follows:

- (a) \$75,000 upon the execution of this Agreement;
- (b) \$75,000 as soon as possible after all regulatory filings have been completed and in any case no later than March 1, 2011
- (c) A further payment of \$250,000 on or before 6 months after March 31, 2011;
- (d) A further payment of \$500,000 on or before 12 months after March 31, 2011;
- (e) A further payment of \$750,000 on or before 24 after March 31, 2011;
- (f) A further payment of \$1,500,000 on or before 36 months after March 31, 2011;

The work commitment on the Property shall be carried out and paid for, to a minimum value, as follows:

- (a) a work program of \$500,000 on or before the first anniversary of this agreement;
- (b) a further \$1,000,000 on or before the second anniversary of this agreement for development expenses;
- (c) a further \$2,000,000 on or before the third anniversary of this agreement for development expenses.

Any excess in the amount of Work required to be incurred by the end of a particular period may be carried forward and credited towards future cumulative aggregate Work requirements.

The Company is to issue shares to SUN as follows:

- (a) 10,000,000 Shares on or before January 31st 2011(issued);

- (b) A further 20,000,000 Shares on or before February 14th 2011(issued).

Alaska Pacific Energy Corp.
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9. COMMITMENTS (continued)

Should the Option Agreement not be exercised by either Party, all 30,000,000 common shares that have been granted to SUN shall be returned to the Company within 7 days, for cancellation. On January 25, 2011, the Company issued 30,000,000 common shares of the Company at \$0.001 or valued \$30,000. As at April 30, 2012, the Company is in default of the Option Agreement and plans to remedy the situation in the near future.

On June 22, 2011, Alaska Pacific Energy Corp. ("ASKE") executed an Assignment Agreement with Kouzelne Mesto Ltd., ("KzM") whereby Alaska Pacific Energy Corp will acquire ownership of an 80% legal and

beneficial interest in certain primary mining and prospecting licenses located in the Lillooet Mining Division in the Province of British Columbia, Canada (the "Property"). The original Owner BCT Mining Corp. has granted KzM the sole and exclusive option (the "Option") which may be exercised at the sole discretion of KzM to acquire an undivided 100% of the Owner's 80% legal and beneficial interest in and to the Property (the "Interest") free and clear of all encumbrances for the full price and consideration of payment to the Owner, the sum of \$1,150,000 (the "Payment"), the expenditure by the KzM or its Assignee, ASKE of a total of \$1,500,000 in exploration work on the Property (the "Work") and the transfer by KzM of 75,000,000 common shares of \$0.001 par value in the capital stock of ASKE as constituted as of June 22nd, 2011 (the "Shares"), out of a total of 100,000,000 shares granted to KzM, by ASKE, as set out in sections 1.2, 1.3, 1.4 and 1.5 respectively. Upon the completion of the Payments, the payment of the Shares and the completion of the Work, KzM or its assignee, ASKE may exercise the Option by delivering to the Owner written notice of the ASKE's intention to exercise the Option. On June 26, 2011, the Company issued 100,000,000 common shares of the Company valued at \$0.001 per common share or \$100,000. On April 1, 2012 BCT Mining Corp. agreed to accept cash to be paid out over an unspecified period for the exercise of the Option and KzM returned the 75,000,000 shares which were subsequently cancelled

10. SUBSEQUENT EVENTS

On May 6, 2012, the Company issued 70,000,000 shares at a value of \$0.0002786 per share for gross proceeds of \$19,500.

Item 13: Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.

The required information is included in the financial statement above.

Item 14: Beneficial Owners

Beneficial ownership means sole and shared voting power or investment power with respect to a security. In computing the number and percentage of shares beneficially owned by a person, shares of Common Stock subject to options and/or warrants currently exercisable, or exercisable at a later date, are counted as outstanding, but these shares are not counted as outstanding for computing the percentage ownership of any other person. At this time, however, there are no such options or warrants granted or outstanding.

Beneficial Ownership of Securities: Pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, involving the determination of beneficial owners of securities, includes as beneficial owners of securities, any person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise has, or shares, voting power and/or investment power with respect to the securities, and any person who has the right to acquire beneficial ownership of the security within sixty days through any means including the exercise of any option, warrant or conversion of a security.

The following table summarizes certain information regarding the beneficial ownership (as such term is defined in Rule 13d-3 under the Securities Exchange Act of 1934 of the Company's outstanding common stock as of November 8, 2011 by (i) each person known by the Company to be the beneficial owner of more than 5% of the Company's outstanding common stock, (ii) each director of the Company, (iii) each person named in the Summary Compensation Table, and (iv) all current executive officers and directors as a group. The security and stockholders listed below possess sole voting and investment power with respect to their shares. The figures are based on a total of 848,786,968 common shares outstanding as of July 9, 2012.

IDENTITY OF PERSON OR GROUP	ACTUAL AMOUNT OF SHARES OWNED	ACTUAL PERCENT OF SHARES OWNED	CLASS
James R. King 104-14300 Riverport Way Richmond, British Columbia, Canada,	4,789,700	0.564%	Common
Timothea Welsh 27924 112 th Avenue Maple Ridge, British Columbia, Canada.	21,000,000	2.474%	Common
Polosway 4689 Sylvan Drive Chilliwack, BC Canada	100,000,000	11.782%	Common
Officers and Directors as a Group (two persons)	125,789,700	3.038	Common

Item 15: The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to operations, business development and disclosure:

1. Investment Banker: Not Applicable

2. Promoters

James R. King, President, CEO, Director.
Telephone: 604-274-1565
Email; kingeer@shaw.ca

3. Counsel Dieterich & Associates
11835 W. Olympic Boulevard, Suite 1235E
Los Angeles, California 90064

4. Accountant or Auditor - the information shall clearly (i) describe if an outside accountant provides audit or review services, (ii) state the work done by the outside accountant and (iii) describe the responsibilities of the accountant and the responsibilities of management (i.e. who audits, prepares or reviews the issuer's financial statements, etc.). The information shall include the accountant's phone number and email address and a description of the accountant's licensing and qualifications to perform such duties on behalf of the issuer.

The Company does not have an Auditor.

5. Public Relations Consultant(s)

James R. King, President, CEO, Director.
Telephone: 604-274-1565
Email; kingeer@shaw.ca

6. Investor Relations Consultant

7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.

James R. King, President, CEO and Director
Telephone: 604-274-1565
Email; kingeer@shaw.ca

Item 16. Management's Discussion and Analysis or Plan of Operations

Our business activities to date have not provided any cash flow. During the next twelve months we anticipate incurring costs and expenses related to filing of Exchange Act reports, exploratory work on our claims and maintenance of our Option Agreement to those claims as well as costs related to the management of a public company if we are successful in bringing the Company to trade. Management will fund the costs and expenses to be incurred as a result of such activities through further investment in our Company through additional equity financing by private investors. Based on our history as a developmental stage company, it is difficult to predict our future results of operations. Our operations may never generate significant revenues or any revenues whatsoever, and we may never achieve profitable operations.

We incurred total operating expenses in the amount of \$1,903,736 for the period from our inception on January 13, 2005 to April 30, 2012.

A. PLAN OF OPERATIONS

The Company will continue to manage its operations and cash resources in a manner consistent with its expectation that it will be able to satisfy cash requirements through fiscal 2013. The main operating costs for the Company include: The Company will consider an additional equity offering within the next 12 months.

B. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

Three months ended April 30, 2012 Compared to the three months ended April 30, 2011

For the three month period ended April 30, 2012, the Company had a net loss of \$146,203 (2011 - \$137,402). This represented a increase of \$8,801, which mainly attributed to investor relations costs \$72,742 (2011 – nil) off-set by a reduction in professional fees \$63,569 (2011 - \$120,153).

Liquidity and Capital Resources

Working capital, which was current assets less current liabilities, was a working capital deficit of \$115,282 at April 30, 2012 compared to a working capital deficit of \$301,979 at January 31, 2012. Current assets at April 30, 2012 included prepaid expenses of \$102,832, other receivables of \$20,476 and a short term loan of \$36,000.

As at April 30, 2012, our total liabilities decreased to \$275,698 from \$346.763 at January 31, 2012.

Cash Used in Operating Activities

The increase in the Company's cash flow used by operating activities from \$152,679 (2011 cash inflow of \$27,680) during the three month period ended April 30, 2012 was attributed increased investor relations fees.

Cash Used in Investing Activities

Cash used in investing activities was NIL during the three month period ended April 30, 2012.

Cash from Financing Activities

During the three month period ended April 30, 2012, the Company received net proceeds of \$201,000 for the sale of capital stock (2011 - \$800). The Company repaid related parties in the amount of \$46,889 comparable to an advance of \$1,699 for the comparable quarter 2011.

Future Financings

We anticipate continuing to rely on equity sales of our common shares in order to continue to fund our business operations. Issuances of additional shares will result in dilution to our existing shareholders. There is no assurance that we will achieve any additional sales of our equity securities or arrange for debt or other financing to fund our planned exploration activities.

There are no assurances that we will be able to achieve further sales of our common stock or any other form of additional financing. If we are unable to achieve the financing necessary to continue our plan of operations, then we will not be able to continue our exploration of the prospect lease and our venture will fail.

C. OFF-BALANCE SHEET ARRANGEMENTS

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or

expenses, results of operations, liquidity, capital expenditures or capital resources that is material to stockholders.

Critical Accounting Policies

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Use of Estimates and Assumptions

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 period. Actual results could differ from those estimates.

.Mineral Property Costs

The Company has been in the exploration stage since its formation on January 13, 2005 and has not realized any revenues from its planned operations. It is primarily engaged in the acquisition and exploration of mineral resources.

Pursuant to FASB ASC 360-10-35, the Company classifies its mineral rights as tangible assets and accordingly acquisition costs are capitalized as mineral property costs. Generally accepted accounting principles require that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. In performing the review for recoverability, the Company is to estimate the future cash flows expected to result from the use of the asset and its eventual disposition. If the sum of the undiscounted expected future cash flows is less than the carrying amount of the asset, an impairment loss is recognized. Mineral exploration costs are expensed as incurred until commercially mineable deposits are determined to exist within a particular property. To date the Company has not established any proven or probable reserves.

The Company has adopted the provisions of FASB ASC 410 "Accounting for Asset Retirement Obligations" which establishes standards for the initial measurement and subsequent accounting for obligations associated with the sale, abandonment, or other disposal of long-term tangible assets arising from the acquisition, construction or development and for normal operations of such assets. As of January 31, 2011, any potential costs related to the retirement of the Company's mineral property interests have not yet been determined.

Foreign Currency Translation

The Company's subsidiary functional currency is Canadian dollars. Transactions in other currencies are recorded in Canadian dollars at the rates of exchange prevailing when the transactions occur. Monetary assets and liabilities denominated in other currencies are translated into Canadian dollars at

rates of exchange in effect at the balance sheet dates. Exchange gains and losses are recorded in the statements of operations.

At the period end, the subsidiary's assets and liabilities are translated into the U.S. dollars at exchange rates at the balance sheet date, equity accounts are translated at historical exchange rate and revenues and expenses are translated by using the average exchange rates. Accumulated translation adjustments are reported as a separate component of other comprehensive income (loss) in the consolidated statements of stockholders' equity (deficiency).

Income Taxes

The Company has adopted SC740, "Income Taxes", which requires the Company to recognize deferred tax liabilities and assets for the expected future tax consequence of events that have been recognized in the Company's financial statements or tax returns using the liability method. Under this method, deferred tax liabilities and assets are determined based on the temporary differences between the financial statements and tax bases of assets and liabilities using enacted tax rates in effect in the year in which the differences are expected to reverse.

Recent Accounting Pronouncements

In February 2010, the FASB issued ASC No. 2010-09, "Amendments to Certain Recognition and Disclosure Requirements", which eliminates the requirement for SEC filers to disclose the date through which an entity has evaluated subsequent events. ASC No. 2010-09 is effective for its fiscal quarter beginning after 15 December 2010. The adoption of ASC No. 2010-09 is not expected to have a material impact on the Company's financial statements.

In April 2010, the FASB issued ASU 2010-13, "Compensation—Stock Compensation (Topic 718): Effect of Denominating the Exercise Price of a Share-Based Payment Award in the Currency of the Market in Which the Underlying Equity Security Trades," or ASU 2010-13. This ASU provides amendments to Topic 718 to clarify that an employee share-based payment award with an exercise price denominated in currency of a market in which a substantial portion of the entity's equity securities trades should not be considered to contain a condition that is not a market, performance, or service condition. Therefore, an entity would not classify such an award as a liability if it otherwise qualifies as equity. The amendments in this ASU are effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2010. The Company does not expect the adoption of ASU 2010-13 to have a significant impact on its financial statements.

In April 2010, the FASB codified the consensus reached in Emerging Issues Task Force Issue No. 08-09, "Milestone Method of Revenue Recognition." FASB ASU No. 2010-17 "Revenue Recognition – Milestone Method (Topic 605)" provides guidance on defining a milestone and determining when it may be appropriate to apply the milestone method of revenue recognition for research and development transactions. FASB ASU No. 2010 – 17 is effective for fiscal years beginning on or after June 15, 2010, and is effective on a prospective basis for milestones achieved after the adoption date. The Company does not expect this ASU will have a material impact on its financial position or results of operations.

Other accounting pronouncements that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's financial statements upon adoption.

PART E: ISSUANCE HISTORY

Item 17: List of securities offerings and shares issued for services in the past two years..

On February 6, 2010, the Company issued 1,000,000 shares of common stock of the Company pursuant to a business advisory consulting agreement dated November 1, 2009. The shares were issued in accordance with Regulation S of the Securities Act of 1933 and valued at \$0.10 per share or \$100,000.

On February 26, 2010, Nanita Holding Ltd., George Skrivanos, and Anastasios Koutsoumbos authorized to affect the share cancellation of 2,000,000, 1,000,000 and 1,000,000 common stocks of the Company, respectively which were originally issued in 2007.

On March 11, 2010, the board of directors of the Company approved the issuance of 1,000,000 shares of common stock of the Company to a director and officer of the Company for services provided to the Company. The shares were issued in accordance with Regulation S of the Securities Act of 1933 and valued at \$0.10 per share or \$100,000.

On March 18, 2010, pursuant to the License Agreement, the Company issued 15,000,000 restricted common shares of the Company to ENTEC at a deemed price of \$0.05 per share or \$750,000.

On April 1, 2010, the Company issued 25,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,750. The shares were issued in accordance with Regulation S of the Securities Act of 1933

On April 16, 2010, the Company issued 1,333,333 shares of common stock of the Company for cash valued at \$0.15 per share or \$200,000. The shares were issued in accordance with Regulation S of the Securities Act of 1933

On May 14, 2010, the Company issued 35,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$5,250. The shares were issued in accordance with Regulation S of the Securities Act of 1933

On May 17, 2010, the Company issued 20,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,000. The shares were issued in accordance with Regulation S of the Securities Act of 1933

In August 2010, the Company received \$67,500 for 450,000 share subscription at \$0.15 per share.

In August 2010, the Company issued 866,667 shares of common stock of the Company for cash valued at \$0.15 per share or \$130,000. The shares were issued in accordance with Regulation S of the Securities Act of 1933

On October, 2010, the Company issued 1,316,667 shares of common stock of the Company for cash valued at \$0.15 per share or \$197,500. The shares were issued in accordance with Regulation S of the Securities Act of 1933.

On June 26, 2011 the Company issued 100,000,000 shares of restricted common stock of the Company for cash valued at \$0.001 per share or \$10,000. The shares were issued pursuant to a claims Option Agreement and in accordance with Regulation S of the Securities Act of 1933. On April 2, 2012, 75,000,000 of these shares were cancelled.

On July 7, 2011 the Company issued 15,000,000 shares of restricted common stock of the Company for cash valued at \$0.0001 per share or \$1500 debt purchase. The shares were issued pursuant to the cancellation of debt and in accordance with Section 3(a)(9) and 4(1) of

the Securities Act. Additionally, on October 17, 2011, the Company issued 20,000,000 shares of restricted common stock of the Company for cash valued at \$0.0001 per share or \$2000. The shares were issued in accordance with Section 3(a)(9) and 4(1) of the Securities Act.

On July 21, 2011 the Company issued 15,000,000 shares of restricted common stock of the Company for cash valued at \$0.0001 per share or \$1500. The shares were issued pursuant to the cancellation of debt of \$1500 and in accordance with Section 3(a)(9) and 4(1) of the Securities Act.

On September 18, 2011 the Company issued 10,000,000 shares of common stock of the Company for cash valued at \$0.0001 per share or \$1000. The shares were issued pursuant to the cancellation of debt of \$2,000 and in accordance with Section 3(a)(9) and 4(1) of the Securities Act.

On October 17, 2011, the Company issued 20,000,000 shares of common stock of the Company for cash valued at \$0.0001 per share or \$2000. The shares were issued pursuant to the cancellation of debt of \$2,000 and in accordance with Section 3(a)(9) and 4(1) of the Securities Act.

In December 2011, the Company issued 20,000,000 common shares of the Company for additional debts valued at \$0.0001 per share or \$2,000 and then the 20,000,000 shares were canceled on February 16, 2011.

On December 20, 2011, the Company issued 15,000,000 common share of the Company for cash valued at @0.00233 per common share or \$35,000.

On January 11, 2012, the Company issued 11,111,111 commons shares of the Company for cash valued at \$0.0006975 per share or \$7,750.

On February 6, 2010, the Company issued 1,000,000 shares of common stock of the Company valued at \$0.10 per share or \$100,000, pursuant to a business advisory consulting agreement dated November 1, 2009.

On February 6, 2010, the Company issued 1,000,000 shares of common stock of the Company valued at \$0.10 per share or \$100,000, pursuant to a business advisory consulting agreement dated November 1, 2009.

On February 26, 2010, Nanita Holding Ltd., George Skrivanos, and Anastasios Koutsoumbos authorized to affect the share cancellation of 2,000,000, 1,000,000 and 1,000,000 common stocks of the Company, respectively which were originally issued in 2007.

On March 11, 2010, the board of directors of the Company approved the issuance of 1,000,000 shares of common stock of the Company to a director and officer of the Company for services provided to the Company. The shares were issued in accordance with Regulation S of the Securities Act of 1933 and valued at \$0.10 per share or \$100,000.

On March 18, 2010, pursuant to the License Agreement, the Company issued 15,000,000 restricted common shares of the Company to ENTEC at a deemed price of \$0.05 per share or \$750,000. On October 31, 2010, the Company canceled the 15,000,000 shares due to termination of the Agreement.

On April 1, 2010, the Company issued 25,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,750.

On April 16, 2010, the Company issued 1,333,333 shares of common stock of the Company for cash valued at \$0.15 per share or \$200,000.

On May 14, 2010, the Company issued 35,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$5,250.

On May 17, 2010, the Company issued 20,000 shares of common stock of the Company for cash valued at \$0.15 per share or \$3,000.

On October, 2010, the Company issued 1,316,667 shares of common stock of the Company for cash valued at \$0.15 per share or \$197,500.

On October 2010, the Company issued 142,857 shares of common stock of the Company for services provided valued at \$0.35 per share or \$50,000.

On January 25, 2011, the Company issued 30,000,000 common shares of the Company for mining property at \$0.001 or valued \$30,000.

On June 26, 2011, the Company issued 100,000,000 common shares of the Company for mining claim options valued at \$0.001 per common share or \$100,000.

In July 2011, the Company issued 45,000,000 common stocks of the Company valued at \$0.0001 per common stock or \$4,500 for the settlement of the debts transferred from Anna Skokan to Surf Financial Group, LLC. In September, the Company issued 70,000,000 shares of the common stocks of the Company valued at \$0.0001 per common stock or \$7,000 for additional debts settlement. There were 5,000,000 shares of which were over issued.

In December, the Company issued 20,000,000 common shares of the Company for additional debts valued at \$0.0001 per share or \$2,000 and then the 20,000,000 shares were canceled on February 16, 2011.

On December 20, 2011, the Company issued 15,000,000 common share of the Company for cash valued at @0.00233 per common share or \$35,000.

On January 11, 2012, the Company issued 11,111,111 commons shares of the Company for cash valued at \$0.0006975 per share or \$7,750.

On February 3, 2012, the Company issued 25,000,000 common shares of the Company for cash valued at \$0.00122 per common share or \$30,500.

On February 22, 2012, the Company issued 32,500,000 common shares of the Company for cash valued at \$0.0006308 per common share or \$20,500.

On February 29, 2012, the Company issued 31,000,000 common shares of the Company for cash valued at \$0.0004032 per common share or \$12,500.

On March 8, 2012, the Company issued 100,000,000 common shares of the Company for services at \$0.001 per common share or \$100,000. These shares are restricted for a period of one year.

On March 8, 2012, the Company issued 40,000,000 common shares of the Company for cash valued at \$0.0003625 per common share or \$15,000.

On March 15, 2012, the Company issued 50,000,000 common shares of the Company for cash valued at \$0.0005 per common share or \$25,000.

On April 4, 2012, the Company issued 20,000,000 common shares of the Company for services valued at \$0.002 per common share or \$40,000. These shares are restricted for a period of one year.

On April 9, 2012, the Company issued 65,000,000 common shares of the Company for cash valued at \$0.0006154 per common share or \$40,000.

On April 9, 2012, the Company issued 65,000,000 common shares of the Company for cash valued at \$0.0006462 per common share or \$42,500.

On April 19, 2012, the Company cancelled 75,000,000 common shares of the Company, originally issued for mining claims, valued at \$0.001 per common share or \$75,000

On April 23, 2012, the Company issued 60,000,000 common shares of the Company for cash valued at \$0.0002833 per common share or \$17,000.

On April 30, 2012, the Company issued 70,000,000 common shares of the Company for cash valued at \$0.0001700 per common share or \$11,900. The funds were received subsequent to the quarter end.

Dividends

There are no restrictions in our Articles that prevent us from declaring dividends. The business act governing corporations in the State of Nevada (Nevada Revised Statutes, Chapter 78), provides that a corporation may declare or pay a dividend unless there are reasonable grounds to believe that the corporation is insolvent or the payment of the dividend would render the corporation insolvent. We have not declared any dividends and we do not plan to declare any dividends in the foreseeable future.

Securities Authorized For Issuance Under Compensation Plans

The Company does not have a formal Compensation Plan for the issuance of shares.

Item 18. EXHIBITS

The following exhibits are filed with this Annual Report unless filed previously as noted below.

- 3.1 Certificate of Incorporation filed with State of Nevada, January 13, 2005. (*)
- 3.2 Bylaws (*)
- 3.3 Certificate of Amendment to Articles of Incorporation increasing the Company's authorized capital dated January 13, 2009 (*)
- 3.4 Certificate of Amendment to Articles of Incorporation increasing the Company's authorized capital dated October 4, 2011
- 3.5 Certificate of Amendment to Articles of Incorporation increasing the Company's authorized capital to 2 billion common shares dated April 5, 2012*

(*) Incorporate by reference. Filed previously with annual filing dated November 9, 2011

Item 21 Issuer's Certifications.

Certifications by the Chief Executive Officer and Chief Financial Officer of the issuer

I, James R. King, certify that:

1. I have reviewed this annual or disclosure statement of Alaska Pacific Energy Corp.
2. Based on my knowledge, this disclosure statement 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 disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

By: /s/ James R. King

James R. King,

Chief Executive Officer, Chief Financial Officer President, Director

Date: July 26, 2012