

OTC Pink Basic Disclosure Guidelines

1) Name of the issuer and its predecessors (if any)

In answering this item, please also provide any names used by predecessor entities in the past five years and the dates of the name changes.

Big Cat Energy Corp

2) Address of the issuer's principal executive offices

Company Headquarters

Address 1: 121 W. Merino Rd

Address 2: PO Box 500

Address 3: Upton, WY 82730

Phone: 307-468-9369

Email: r_stifel@msn.com

Website(s): www.bigcatenergy.com

IR Contact

Address 1: Live Call IR

Address 2: 266 Elmwood Ave, Suite 752

Address 3: Buffalo, NY 14222

Phone: 201-984-5646

Email: gb@livecallir.com

Website(s): _____

3) Security Information

Trading Symbol: BCTE

Exact title and class of securities outstanding: Common

CUSIP: 089084107

Par or Stated Value: .0001

Total shares authorized: 100,000,000

as of: 10/07/2015

Total shares outstanding: 67,590,403

as of: 10/07/2015

Additional class of securities (if necessary):

Trading Symbol: _____

Exact title and class of securities outstanding: _____

CUSIP: _____

Par or Stated Value: _____

Total shares authorized: _____

as of: _____

Total shares outstanding: _____

as of: _____

Transfer Agent

Name: Nevada Agency and Transfer Company

Address 1: 50 West Liberty Street

Address 2: Suite 880

Address 3: Reno, NV 89501

Phone: 775-322-0626

Is the Transfer Agent registered under the Exchange Act?* Yes: x No: ☐

*To be included in the OTC Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

List any restrictions on the transfer of security:

None

Describe any trading suspension orders issued by the SEC in the past 12 months.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

4) Issuance History

List below any events, in chronological order, that resulted in changes in total shares outstanding by the issuer in the past two fiscal years and any interim period. The list shall include all offerings of equity securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services, describing (1) the securities, (2) the persons or entities to whom such securities were issued and (3) the services provided by such persons or entities. The list shall indicate:

A. The nature of each offering (e.g., Securities Act Rule 504, intrastate, etc.);

None

B. Any jurisdictions where the offering was registered or qualified;

C. The number of shares offered;

D. The number of shares sold;

E. The price at which the shares were offered, and the amount actually paid to the issuer;

F. The trading status of the shares; and

G. Whether the certificates or other documents that evidence the shares contain a legend (1) stating that the shares have not been registered under the Securities Act and (2) setting forth or referring to the restrictions on transferability and sale of the shares under the Securities Act.

5) Financial Statements

Provide the financial statements described below for the most recent fiscal year end or quarter end to maintain qualification for the OTC Pink Current Information tier. For the initial disclosure statement (qualifying for Current Information for the first time) please provide reports for the two previous fiscal years and any interim periods.

- A. Balance sheet;
- B. Statement of income;
- C. Statement of cash flows;
- D. Financial notes; and
- E. Audit letter, if audited

The financial statements requested pursuant to this item shall be prepared in accordance with US GAAP by persons with sufficient financial skills.

You may either (i) attach/append the financial statements to this disclosure statement or (ii) post such financial statements through the OTC Disclosure & News Service as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial reports separately as described in part (ii) above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to otcq.com in the field below.

Information contained in a Financial Report is considered current until the due date for the subsequent Financial Report. To remain in the OTC Pink Current Information tier, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of its fiscal quarter-end date.

6) Describe the Issuer's Business, Products and Services

Describe the issuer's business so a potential investor can clearly understand the company. In answering this item, please include the following:

- A. a description of the issuer's business operations;

Water handling technology for coal bed methane

- B. Date and State (or Jurisdiction) of Incorporation:

06/19/1997

- C. the issuer's primary and secondary SIC Codes;

423800

- D. the issuer's fiscal year end date;

04/30

- E. principal products or services, and their markets;

Oil and Gas supplier

7) Describe the Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If

the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

N/A

8) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant shareholders.

- A. Names of Officers, Directors, and Control Persons. In responding to this item, please provide the names of each of the issuer's executive officers, directors, general partners and control persons (control persons are beneficial owners of more than five percent (5%) of any class of the issuer's equity securities), as of the date of this information statement.

Richard G. Stifel, sole Director and Officer

- B. Legal/Disciplinary History. Please identify whether any of the foregoing persons have, in the last five years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

No

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

No

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

No

4. The entry of 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.

No

- C. Beneficial Shareholders. Provide a list of the name, address and shareholdings or the percentage of shares owned by all persons beneficially owning more than ten percent (10%) of any class of the issuer's equity securities. If any of the beneficial shareholders are corporate shareholders, provide the name and address of the person(s) owning or controlling such corporate shareholders and the resident agents of the corporate shareholders.

High Plains Gas Inc, 3601 Southern Dr, Gillette, WY 82718 29.6%

9) Third Party Providers

Please provide the name, address, telephone number, and email address of each of the following outside providers that advise your company on matters relating to operations, business development and disclosure:

Legal Counsel

Name: Benjamin L Bunker
Firm: The Bunker Law Group
Address 1: 3753 Howard Hughes, Suite 200
Address 2: Las Vegas, NV 89169
Phone: 702-784-5990
Email: _____

Accountant or Auditor

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Investor Relations Consultant

Name: _____
Firm: Live Call IR
Address 1: 266 Elmwood Ave. Suite 752
Address 2: Buffalo, NY 14222
Phone: 201-984-5646
Email: gb@livecallir.com

Other Advisor: Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement.

Name: _____
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles, but having the same responsibilities).

The certifications shall follow the format below:

I, Richard G. Stifel certify that:

1. I have reviewed this Annual Report for 4/30/2015 of Big Cat Energy Corp. BCTE;
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.

10/28/2015 [Date]

/s/ Richard G. Stifel [CEO's Signature]

 [CFO's Signature]

_(Digital Signatures should appear as "/s/ [OFFICER NAME]")

President [Title]

[illegible]

BIG CAT ENERGY CORPORATION
STATEMENT OF OPERATIONS
FOR THE YEARS ENDING APRIL 30, 2015 AND 2014
(UNAUDITED)

		For the year ended Apr, 30	
		2015	2014
Revenues			
Sales		\$12,500	\$28,500
Other		1,376	4,390
		13,876	32,890
Cost of Goods Sold		950	6,070
Gross Profit		12,926	26,820
Expenses:			
Personnel cost		48,000	48,000
Depreciation, depletion and amortization		6,720	6,720
Other general and administrative		4,608	4,608
		59,328	59,328
Operating Loss		(46,402)	(32,508)
Other Income (Expense):			
Loss on securities sales		0	0
Net (Loss)		(\$46,402)	(\$32,508)
NET (LOSS) PER COMMON SHARE		(\$0.00)	(\$0.00)
Weighted shares outstanding		52,994,455	52,994,455

BIG CAT ENERGY CORPORATION
STATEMENT OF CHANGE IN SHAREHOLDER EQUITY

	Common Stock		Additional	Deficit	Cumulative	
	Shares	Par Value	Paid-in	Accumulated	Translation	
			Capital	During	Adjustment	
				Development	Other	
				Stage	Loss	Total
Balance at inception						
June 19, 1997.....	0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
June 1997, issuance of common stock						
for services, at fair value (\$.0001 per share).....	500,000	50	0	0	0	50
Net loss.....	0	0	0	(50)	0	(50)
Balance at April 30, 1998.....	500,000	50	0	(50)	0	0
Net loss.....	0	0	0	0	0	0
Balance at April 30, 1999.....	500,000	50	0	(50)	0	0
Contributed services.....	0	0	500	0	0	500
Contributed rent.....	0	0	400	0	0	400
Net loss.....	0	0	0	(900)	0	(900)
Balance at April 30, 2000.....	500,000	50	900	(950)	0	0
Contributed services.....	0	0	500	0	0	500
Contributed rent.....	0	0	1,200	0	0	1,200
Net loss.....	0	0	0	(2,179)	0	(2,179)
Balance at April 30, 2001.....	500,000	50	2,600	(3,129)	0	(479)
April, 2002, sale of common stock						
(\$.10 per share).....	791,000	79	79,021	0	0	79,100
April 2002, common stock subscribed						
(\$.10 per share).....	323,000	32	32,268	0	0	32,300
Cancellation of common stock (Note 2).....	(500,000)	(50)	0	0	0	(50)
Contributed services.....	0	0	2,050	0	0	2,050
Contributed rent.....	0	0	1,200	0	0	1,200
Expenses paid on behalf of Company (Note 2).....	0	0	725	0	0	725
Net loss.....	0	0	0	(9,668)	0	(9,668)
Balance at April 30, 2002.....	1,114,000	111	117,864	(12,797)	0	105,178
Contributed services.....	0	0	2,650	0	0	2,650
Contributed rent.....	0	0	1,200	0	0	1,200
Net loss.....	0	0	0	(54,086)	0	(54,086)
Balance at April 30, 2003.....	1,114,000	111	121,714	(66,883)	0	54,942
Comprehensive loss:						
Net loss.....	0	0	0	(42,521)	0	(42,521)
Cumulative translation adjustment.....	0	0	0	0	(205)	(205)
Comprehensive loss.....	0	0	0	0	0	(42,726)
Balance at April 30, 2004.....	1,114,000	111	121,714	(109,404)	(205)	12,216
Comprehensive loss:						
Net loss.....	0	0	0	(23,139)	0	(23,139)
Cumulative translation adjustment.....	0	0	0	0	26	26
Comprehensive loss.....	0	0	0	0	0	(23,113)
Balance at April 30, 2005.....	1,114,000	111	121,714	(132,543)	(179)	(10,897)
March 2006, common stock issued to officers and						
directors through Asset Purchase Agreement.....	12,450,000	1,245	22,745	0	0	23,990
March 2006, common shares sold in private						
placement offering (\$.01 per share).....	2,500,000	250	24,750	0	0	25,000
March and April 2006, common shares sold in private						
placement offering (\$.05 per share).....	7,400,000	740	369,260	0	0	370,000
Comprehensive loss:						
Net loss.....	0	0	0	(145,182)	0	(145,182)
Cumulative translation adjustment.....	0	0	0	0	179	179
Comprehensive loss.....	0	0	0	0	0	(145,003)
Balance at April 30, 2006.....	23,464,000	2,346	538,469	(277,725)	0	263,090
Sale of common stock	6,077,000	608	3,540,893			3,541,501
offering costs			(21,753)			(21,753)
contributed capital			22,582			22,582
Stock based compensation			1,840,000			1,840,000
Net income (loss) 2007			0	(2,639,221)		(2,639,221)
Balance at april 30, 2007 (unaudited).....	29,541,000	\$ 2,954	\$ 5,920,191	\$ (2,916,946)	\$ 0	\$ 3,006,199

other - offering costs subsidiary			(790)			(790)
Net income (loss) First Quarter 2007				(1,137,531)		(1,137,531)
Balance at July 31, 2007 (unaudited).....	29,541,000	\$ 2,954	\$ 6,379,401	\$ (4,054,477)	\$ 0	\$ 2,327,878
Sale of common stock	500,000	50	499,950			500,000
Stock based compensation			460,000			460,000
Net income (loss) 2nd Otr. 2007				(770,432)		(770,432)
Balance at October 31, 2007	30,041,000	3,004	7,339,351	(4,824,909)	0	2,517,446
Stock based compensation			468,000			468,000
Net income (loss) 3rd Otr. 2008				(783,709)		(783,709)
Balance January 31, 2008	30,041,000	3,004	7,807,351	(5,608,618)	0	2,201,737
Spin off Sterling			(844,050)			(844,050)
Sterling offering fees			790			790
Sale common stock	1,000,000	100	499,900			500,000
Stock based comp			972,000			972,000
Net loss 4th qtr. 2008				(1,686,622)		(1,686,622)
Balance April 30, 2008	31,041,000	3,104	8,435,991	(7,295,240)		1,143,855
Sale of Common Stock	1,000,000	100	499,900			500,000
stock based compensation			1,543,625			1,543,625
Net loss FY 2009				(2,664,180)		(2,664,180)
Balance April 30, 2009	32,041,000	3,204	10,479,516	(9,959,420)		523,300
Sale of Common Stock	11,440,000	1,144	570,856			572,000
stock based compensation			121,565			121,565
Net loss FY 2010				(1,050,294)		(1,050,294)
Balance April 30, 2010	43,481,000	4,348	11,171,937	(11,009,714)		166,571
Sale of Common Stock	363,334	36	32,664			32,700
Mark to market					221,754	221,754
stock based compensation			214,566			214,566
Private Placement December	20,000,000	2,000	715,426			717,426
Private Placement December -salaries	3,579,402	358	357,582			357,940
Stock in lieu of payment	166,667	17	16,650			16,667
Net loss FY 2011				(1,133,973)		(1,133,973)
Balance April 30, 2011	67,590,403	6,759	12,508,825	(12,143,687)	221,754	593,651
Mark to market					(221,754)	(221,754)
Net loss FY 2012				(721,059)		(721,059)
Balance April 30, 2012	67,590,403	6,759	12,508,825	(12,864,746)	0	(349,162)
Net loss FY 2013				(83,519)		(83,519)
Balance April 30, 2013	67,590,403	6,759	12,508,825	(12,948,265)		(432,681)
Net income FY 2014				(32,508)		(32,508)
Balance April 30, 2014	67,590,403	6,759	12,508,825	(12,980,773)		(465,189)
Net loss FY 2015				(46,402)		(46,402)
Balance April 30, 2015	67,590,403	6,759	12,508,825	(13,027,175)		(511,591)

BIG CAT ENERGY CORPORATION
STATEMENT OF CASH FLOWS
(UNAUDITED)

	For the year ended April 30,	
	2015	2014
Cash Flows From Operating Activities:		
Net Loss	(\$46,402)	(\$32,508)
Adjustments to reconcile net loss to net cash used by operating activities:		
Depletion, depreciation and amortization	6,720	6,720
Changes in operating assets and liabilities:		
Available for sale	0	2,250
Payables	39,574	24,000
Net cash used in operating activities	(108)	462
Cash Flows From Investing Activities:		
Net cash used in investing activities	0	0
Cash Flows From Financing Activities:		
Net cash provided by financing activities	0	0
Net Increase (Decrease) in Cash and Cash Equivalents	(108)	462
Cash and Equivalents, at beginning of period	677	215
Cash and Equivalents, at end of period	\$569	\$677

1. **ORGANIZATION AND NATURE OF OPERATIONS:**

Big Cat Energy Corporation (“Big Cat” or the “Company”), a Nevada corporation, owns the exclusive right to a patented technology known as Aquifer Recharge Injection Device (ARID) which allows Coal Bed Methane (CBM) operators to re-inject water produced from productive coal seams. The Company is in the development stage in accordance with FASB Accounting Standards Codification (“ASC”) 915, *Development Stage Entities*. The Company has been in the development stage since inception and has yet to generate any significant revenue-producing operations. Activities since its inception have primarily involved its organization, development of the Company and more recently, its ARID initiative.

2. **LIQUIDITY:**

Going Concern – As of April 30, 2015 the Company had working capital (deficit) of \$(619,699) and stockholders’ (deficit) of \$(511,591). We have realized minimal revenues and have incurred significant losses from operations and used significant cash flow to fund operations for the fiscal years presented. Historically, Big Cat has relied upon outside investor funds to maintain its operations and develop its business. Big Cat’s plan for continuation anticipates continued funding from investors and realization of substantial leases of the ARID tool. Funding, if received, would be used for operations, for working capital, as well as business expansion during the upcoming fiscal year. The Company can provide no assurance that additional investor funds will be available on terms acceptable to the Company. These conditions raise substantial doubt about Big Cat’s ability to continue operations as a going concern

Big Cat’s ability to continue as a going concern is dependent upon raising capital through debt or equity financing and ultimately by increasing revenue and achieving profitable operations. The Company can offer no assurance of success in our efforts to raise additional proceeds or achieve profitable operations. The accompanying financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities in the normal course of business.

3. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

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

Cash and Cash Equivalents – Cash and cash equivalents include cash on hand, amounts held in banks and highly liquid investments purchased with an original maturity of three months or less.

Advertising – The Company expenses advertising costs as they are incurred.

Warranty accrual – ASC 450 requires companies to accrue for warranty exposure based on reasonable estimates of the amount incurred. Based on historical data, the Company has accrued no costs for warranty resolution as of April 30, 2015 and 2014.

Intangible Assets – The Company capitalized the costs to patent the ARID process and ARID trademark. These costs are being amortized over the life, twenty (20) years, of the patents on a straight line basis. The intangibles serve as collateral for the accrued deferred salaries.

FY 2015	\$6,720
FY 2016	\$6,720
FY 2017	\$6,720
FY 2018	\$6,720
FY 2019	\$6,720
Thereafter	\$74,566

Concentrations of Credit Risk – The Company's cash equivalents, accounts receivable and marketable securities are exposed to concentrations of credit risk. The Company manages and controls this risk by investing the cash equivalents with major financial institutions. The accounts receivable are from a related party and are considered to be fully collectable. The marketable securities are common shares are from the same related party and are subject to market risk.

Furniture and Equipment – Furniture and equipment is stated at cost. Depreciation is provided on furniture, fixtures and equipment using the straight-line method over an estimated service life of three to seven years.

The cost of normal maintenance and repairs is charged to operating expenses as incurred. Material expenditures which increase the life of an asset are capitalized and depreciated over the estimated remaining useful life of the asset.

Concentration of Customer Base- The Company had a single purchaser during the year ended April 30, 2015 and April 30, 2014.

Income Taxes – Income taxes are accounted for by recognizing deferred income tax assets and liabilities for the expected future income tax consequences, based on enacted tax laws, of temporary differences between the financial reporting and tax basis of assets, liabilities and carryforwards. Deferred tax assets are recognized for the expected future effects of all deductible temporary differences, loss carryforwards and tax credit carryforwards. Deferred tax assets are then reduced, if deemed necessary, by a valuation allowance for the amount of any tax benefit which, more likely than not, are not expected to be realized.

We adopted ASC 740, *Income Taxes* as of April 1, 2008. This topic provides detailed guidance for the financial statement recognition, measurement and disclosure of uncertain tax positions recognized in the financial statements. Tax positions must meet a "more-likely-than-not" recognition threshold at the effective date to be recognized upon the adoption of ASC 740 and in subsequent periods. We recognize interest and penalties related to uncertain tax positions in income tax expense.

Investments – Securities classified as "available for sale" are carried in the financial statements at fair value. Realized gains and losses are included in earnings. Unrealized holding gains and losses are reported in other comprehensive income.

Fair Value of Financial Instruments – The Company's financial instruments consist of cash and cash equivalents, accounts receivable, prepaid expenses, marketable securities and accounts payable. The fair

market value of these financial instruments approximates or is equal to the book value due to the short term nature of these balances.

Fair Value Measurements - are determined by the Company's adoption of ASC 820 *Fair Market Measurement and Disclosures* as of May 1, 2008, including the application of the statement to non-recurring, non-financial assets and liabilities. The adoption of ASC 820 did not have a material impact on the Company's fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in the principal (or most advantageous market) for the asset or liability in an orderly transaction between market participants at the measurement date.

Stock-Based Compensation – The Company accounts for stock-based compensation arrangements in accordance with ASC 718, *Compensation-Stock Compensation*, which permits entities to recognize as expense over the vesting period, the fair value of all stock-based awards on the date of grant.

Research and Development Expenditures – Costs related to the research, design, and development of products are charged to research and development expenses as incurred. The Company incurred \$0 of research and development costs for the years ended April 30, 2015 and 2014.

Net Loss Per Share – Basic net loss per share is computed using the weighted average number of common shares outstanding during the period. Contingently issuable shares are included in the computation of basic net income (loss) per share when the related conditions are satisfied. Diluted net income per share is computed using the weighted average number of common shares and potentially dilutive securities outstanding during the period. Potentially dilutive securities consist of contingently issuable shares, the incremental common shares issuable upon conversion of preferred stock or convertible debt (using the “if converted” method) and shares issuable upon the exercise of stock options and warrants (using the “treasury stock” method). Potentially dilutive securities are excluded from the computation if their effect is anti-dilutive.

As of April 30, 2015 and 2014 the Company had options issued to purchase 610,000 shares and warrants issued to purchase 11,873,033 and 18,173,033 shares respectively that would be potentially dilutive. The options and warrants outstanding were excluded from the calculation of diluted earnings per share as their effect would have been anti-dilutive.

Revenue Recognition-When the Company sells its ARID tools, revenue is recognized upon delivery of the tools to the customer. When the Company leases its ARID tools, revenue is recognized equally over the term of lease. When the lease is executed the company records deferred revenue as an Other Current Liability for those amounts paid for lease commitments for the next 12 months and a Long Term Obligation for those amounts in excess of 12 months. The Company has no deferred revenue recorded in FY2015 or FY2014.

Reclassifications – Certain reclassifications have been made to prior years' amounts to conform to the classifications used in the current year. Such reclassifications had no effect on the Company's net loss in any of the periods presented.

Recent Pronouncements

We have reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on our financial condition or the results of our operations.

4. FAIR VALUE MEASUREMENTS:

ASC 820 establishes a fair value hierarchy which prioritizes the inputs used in measuring fair value into three broad levels as follows:

Level 1- Quoted prices in active markets for identical assets or liabilities.

Level 2- Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly.

Level 3- Unobservable inputs based on the Company's assumptions,

ASC 820 requires the use of observable market data if such data is available without undue cost and effect.

Description	Fair Value Measurements at Reporting Date Using			
	April 30, 2015	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Securities available for sale	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0

5. MARKETABLE SECURITIES

The Company did not have any securities available for sale at April 30, 2015.

6. RELATED PARTY TRANSACTIONS

The Company did not have any related party transaction for the years ended April 30, 2015 and 2014

7. SHAREHOLDERS' EQUITY:

Private Offerings –

The Company had no private offering activity in the years ended April 30, 2015 and 2014.

8. STOCK OPTION PLAN:

The Company has adopted the 2007 Nonqualified Stock Option Plan (the "Plan"), as amended. The Company has reserved 5,000,000 shares of common stock for the plan. During Fiscal 2009 the Board of Directors granted options to purchase 1,665,000 shares to directors, officers and key employees and consultants of the Company, effective December 31, 2008. The exercise price of the options was \$0.12, the closing price of Company shares on December 31, 2008. The options granted on December 31, 2008 become exercisable on December 31, 2009 and expire on December 31, 2014. During Fiscal 2010 the Board of Directors granted options to purchase 410,000 shares to outside directors and key employees of the Company, effective January 4, 2010. The exercise price of the options was \$0.15, the closing price of Company shares on January 4, 2010. The options granted on December 31, 2008 became exercisable on January 4, 2011 and expire on January 4, 2015.

The Company uses the Black-Scholes option-pricing model to estimate the fair value of the options at the grant and vesting date. The fair values of options granted and vested were calculated using the following weighted-average assumptions:

	Year ended April 30, 2015	Year ended April 30, 2014
Expected dividend yield	—	—
Expected price volatility	178%	152%
Risk free interest rate	1.99%	2.65%
Expected term of options (in years)	5 years	5 years

A summary of option activity under the Plan and changes during the years then ended is presented below:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Options outstanding – May 1, 2006	—	\$ —	—	\$ —
Granted during period	1,550,000	.50	—	—
Exercised during period	—	—	—	—
Forfeited during period	—	—	—	—
Expired during period	—	—	—	—
Options outstanding –April 30, 2007	<u>1,550,000</u>	.50	5	<u>3,934,172</u>
Granted during period	1,860,000	.62	--	--
Exercised during period	--	--	--	--
Forfeited during period	(250,000)	.50	--	--
Expired during period	—	—	—	—
Options outstanding –April 30, 2008	<u>3,160,000</u>	.56	4.54	<u>5,214,990</u>
Granted during period	1,665,000	.12	5.00	172,150
Exercised during period	—	—	—	--
Forfeited during period	—	—	—	—
Expired during period	—	—	—	—
Options outstanding –April 30, 2009	<u>4,825,000</u>	.42	5.00	<u>5,387,140</u>
Granted during period	410,000	.15	4.68	52,617
Exercised during period	--	--	--	--
Forfeited during period	(1,300,000)	--	--	(1,532,051)
Expired during period	--	--	--	--
Options outstanding-April 30, 2010	<u>3,935,000</u>	.39	3.37	<u>3,907,705</u>
Granted during period	200,000	.15	4.70	28,000
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	--	--	--	--
Options outstanding-April 30, 2011	<u>4,135,000</u>	.37	3.49	<u>\$3,935,705</u>
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>(1,550,000)</u>	--	--	<u>(573,500)</u>

Options outstanding April 30, 2012	<u>2,585,000</u>		0.37	2.49	<u>3,362,205</u>
Granted during period	--		--	--	--
Exercised during period	--		--	--	--
Forfeited during period	--		--	--	--
Expired during period	--		--	--	--
Exercisable at April 30, 2013	<u>2,585,000</u>	\$	0.37	2.49	<u>3,362,205</u>
Granted during period	--		--	--	--
Exercised during period	--		--	--	--
Forfeited during period	--		--	--	--
Expired during period	--		--	--	--
Exercisable at April 30, 2014	<u>610,000</u>	\$	0.13	1.49	<u>\$ 80,617</u>
Granted during period	--		--	--	--
Exercised during period	--		--	--	--
Forfeited during period	--		--	--	--
Expired during period	--		--	--	--
Exercisable at April 30, 2015	<u>610,000</u>	\$	0.14	1.49	<u>\$ 80,617</u>

The weighted average grant date intrinsic value of options granted during the years ended April 30, 2015 and 2014 was \$0.13 and \$0.13 per share respectively. The weighted average remaining contractual term is 0.49 years for all options outstanding.

As of April 30, 2015 and 2014 the options are fully vested. Due to the limitations on exercising the options, and the fact that they would expire if the employee resigns or is terminated for cause, the Company has treated the options as if they vest over a two-year period. There have been no options exercised under the terms of the Plan.

A summary of warrants activity for the periods ending is presented below:

	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Warrants outstanding – May 1, 2007	–	\$ –	–	\$ –
Issued during period	1,000,000	.75	3.	–
Exercised during period	–	–	–	–
Forfeited during period	–	–	–	–
Expired during period	–	–	–	–
Warrants outstanding –April 30, 2008	<u>1,000,000</u>	75	3	<u>--</u>
Issued during period	1,000,000	.75	3	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	–	–	–	–
Warrants outstanding –April 30, 2009	<u>2,000,000</u>	.75	3	<u>--</u>
Issued during period	6,300,000	.15	4.33	--
Exercised during period	–	–	–	--
Forfeited during period	–	–	–	–
Expired during period	–	–	–	–

Warrants outstanding –April 30, 2010	<u>8,300,000</u>	.42	5.00	--
Issued during period	11,873,033	.15	4.67	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>(1,000,000)</u>	.75	--	--
Exercisable at April 30, 2011	<u>19,173,033</u>	\$ 0.15	3.36	--
Issued during period	--	--	--	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>--</u>	--	--	--
Exercisable at April 30, 2012	<u>19,173,033</u>	\$ 0.15	3.36	--
Issued during period	--	--	--	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>--</u>	--	--	--
Exercisable at April 30, 2013	<u>19,173,033</u>	\$ 0.15	2.36	--
Issued during period	--	--	--	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>(1,000,000)</u>	--	--	--
Exercisable at April 30, 2014	<u>18,173,033</u>	\$ 0.15	1.36	--
Issued during period	--	--	--	--
Exercised during period	--	--	--	--
Forfeited during period	--	--	--	--
Expired during period	<u>(7,300,000)</u>	--	--	--
Exercisable at April 30, 2015	<u>11,873,033</u>	\$ 0.15	1.36	--

9. INCOME TAXES:

Deferred tax assets (liabilities) are comprised of the following:

	April 30	
	2015	2014
Deferred tax assets:		
Stock-based compensation	\$ 0	\$ 0
Deferred revenue and salaries	0	0
Benefit of net operating loss	<u>16,000</u>	<u>11,000</u>
Net operating loss and credit carryforwards		
Total deferred tax assets	4,211,000	4,195,000
Valuation allowance	<u>(4,211,000)</u>	<u>(4,195,000)</u>
	<u>\$ --</u>	<u>\$ --</u>

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A reconciliation of our effective tax rate to the federal statutory tax rate of 35% is as follows:

April 30	
2015	2014

Expected benefit at federal statutory rate	(35%)	(35%)
State taxes net of federal benefit	--	--
Permanent differences	.04%	.12%
Change in rate	--	--
Other-true up rate	--	--
Change in valuation allowance	<u>34.96%</u>	<u>34.88%</u>
	<u>==</u>	<u>==</u>

The Federal net operating loss (NOL) carryforward of approximately \$5,717,000 as of April 30, 2015 expires on various dates through 2036. Internal Revenue Code Section 382 places a limitation on the amount of taxable income which can be offset by NOL carryforwards after a change in control (generally greater than 50% change in ownership) of a loss corporation. Generally, after a change in control, a loss corporation cannot deduct NOL carryforwards in excess of the Section 382 limitation. Due to these “change in ownership” provisions, utilization of NOL carryforwards may be subject to an annual limitation regarding their utilization against taxable income in future periods. We have not performed a Section 382 analysis. However, if performed, Section 382 may be found to limit potential future utilization of our NOL carryforwards.

We have established a full valuation allowance against the deferred tax assets because, based on the weight of available evidence including our continued operating losses, it is more likely than not that all of the deferred tax assets will not be realized. Because of the full valuation allowance, no income tax expense or benefit is reflected on the statement of operations.

We have identified no significant uncertain tax positions as of April 30, 2015 or 2014. The cumulative effect of adopting ASC 740 has not resulted in a liability on the balance sheet. The total amount of unrecognized tax benefits as of the date of adoption was zero. No interest and penalties related to uncertain tax positions were accrued as of April 30, 2015 or 2014.

The Company files income tax returns in the U.S. federal jurisdiction and various state jurisdictions and is no longer subject to examinations by tax authorities for tax years before 2007.

10. Subsequent Events:

Management has evaluated all activity of the Company and concluded no subsequent events have occurred that would require disclosure.