

NORTHERN MINERALS & EXPLORATION LTD.

FORM 10-K (Annual Report)

Filed 11/17/15 for the Period Ending 07/31/15

Address	1301 AVENUE M CISCO, TX 76437
Telephone	254-442-2627
CIK	0001415744
Symbol	NMEX
SIC Code	1040 - Gold And Silver Ores
Industry	Integrated Mining
Sector	Basic Materials
Fiscal Year	07/31

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

Form 10-K

(Mark One)

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

For the fiscal year ended July 31, 2015

Commission File Number 333-146934

NORTHERN MINERALS & EXPLORATION LTD.

(Exact name of registrant as specified in its charter)

Nevada

(State or other jurisdiction of
incorporation or organization)

98-0557171

(IRS Employer
Identification No.)

1301 Avenue M, Cisco, Texas

(Address of principal executive offices)

76437

(Zip Code)

(254) 442-2627

(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES NO

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

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

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

YES NO

APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY
PROCEEDINGS DURING THE PRECEDING FIVE YEARS

Check whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Exchange Act after the distribution of securities under a plan confirmed by a court.

YES NO

APPLICABLE ONLY TO CORPORATE ISSUERS

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

16,144,484 common shares issued and outstanding as of November 16, 2015.



NORTHERN MINERALS & EXPLORATION LTD.

FORM 10-K

For the Year ended July 31, 2015

TABLE OF CONTENTS

<u>PART I</u>	3
<u>ITEM 1. DESCRIPTION OF BUSINESS</u>	3
<u>ITEM 1A. RISK FACTORS</u>	10
<u>ITEM 2. PROPERTIES</u>	22
<u>ITEM 3. LEGAL PROCEEDINGS</u>	31
<u>ITEM 4. MINE SAFETY DISCLOSURES</u>	31
<u>PART II</u>	31
<u>ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES</u>	31
<u>ITEM 6. SELECTED FINANCIAL DATA</u>	33
<u>ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	33
<u>ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	37
<u>ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA</u>	F-1
<u>ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES</u>	38
<u>ITEM 9A. CONTROLS AND PROCEDURES</u>	38
<u>ITEM 9B. OTHER INFORMATION</u>	38
<u>PART III</u>	39
<u>ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE</u>	39
<u>ITEM 11. EXECUTIVE COMPENSATION</u>	42
<u>ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS</u>	44
<u>ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE</u>	45
<u>ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES</u>	45
<u>PART IV</u>	46
<u>ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES</u>	46
<u>SIGNATURES</u>	47

PART I

ITEM 1. DESCRIPTION OF BUSINESS

Our Corporate History and Background

We were incorporated on December 11, 2006 under the laws of the State of Nevada.

We were originally a company involved in the placing of strength testing amusement gaming machines called Boxers in venues such as bars, pubs and nightclubs in the Seattle area, in the State of Washington. We acquired one Boxer that had been placed in Lynwood, Washington. However, the machine was de-commissioned as it needed material repairs. We were not able to secure sufficient capital for these repairs and our management decided to change our business focus to on oil and gas and mineral exploration.

Current Business

Coleman County, Texas – Three well rework/recompletion project

On October 14, 2014, we entered into an agreement to acquire a 75% working interest in the J.E. Richey lease. This lease area has six known productive formations. The existing three wells on the lease are fully equipped. Beginning in May 2015 we started conducting operations on the three wells to place them back into production. For additional information on the Coleman County, Texas – Three well rework/re-completion project - See ITEM 2 PROPERTIES.

Callahan County, Texas – Shallow Oil project

On July 7, 2014, we acquired a 75% working interest in the Isenhower lease. The Isenhower lease has three fully equipped wells completed in the Cook Sandstone at approximately 500 feet. The lease also has one approved water injection well and eight potential undrilled locations. Our plan is to rework all three of the wells to place them back into production and drill new wells to fully develop the acreage. No work was conducted during the fiscal year. For additional information on the Callahan County, Texas Shallow Oil Project - See ITEM 2 PROPERTIES.

Callahan County, Texas – Mississippi Reef project

On July 7, 2014, we acquired a 60% working interest in the J. Morgan lease. The J. Morgan lease is located in an area with multiple formations that are known to be oil and gas productive. No work was conducted during the fiscal year. For additional information on the Callahan County, Texas – Mississippi Project - See ITEM 2 PROPERTIES.

Winnemucca Mountain Property

On September 14, 2012, our company entered into an option agreement (as amended and restated on November 15, 2012, February 1, 2013 and August 26, 2013) with AHL Holdings Ltd., a Nevada corporation, and Golden Sands Exploration Inc., a company incorporated under the laws of British Columbia, Canada, wherein we acquired an option to purchase a revised 80% interest in and to certain mining claims from AHL Holdings and Golden Sands, which claims form the Winnemucca Mountain Property in Humboldt County, Nevada. This Winnemucca Mountain property is currently comprised of 208 unpatented mining claims covering an area of approximately 3,800 acres.

The aggregate cash fee payable to exercise the option has been increased from \$1,715,000 to \$1,755,000 and the total number of common shares issuable to exercise the option has been increased from 100,000 to 2,100,000. Lastly, the amended and restated agreement provides that AHL Holdings may elect to receive shares of our common stock in lieu of any cash payments payable pursuant to the agreement at a 75% discount to the then current closing market price.

Effective July 30, 2014, we entered into amended and restated option agreement with AHL Holdings and Golden Sands that materially modifies and replaces the terms of the original option agreement (as amended last on August 26, 2013). No work was conducted on the property during the current fiscal year. For additional information see ITEM 2 PROPERTIES.

Mining Sector

Competition

We are a mineral resource exploration company. We compete with other mineral resource exploration companies for financing and for the acquisition of new mineral properties. Many of the mineral resource exploration companies with whom we compete have greater financial and technical resources than those available to us. Accordingly, these competitors may be able to spend greater amounts on acquisitions of mineral properties of merit, on exploration of their mineral properties and on development of their mineral properties. In addition, they may be able to afford more geological expertise in the targeting and exploration of mineral properties. This competition could result in competitors having mineral properties of greater quality and interest to prospective investors who may finance additional exploration. This competition could adversely impact on our ability to finance further exploration and to achieve the financing necessary for us to develop our mineral properties.

Compliance with Government Regulation

The operation of mines is governed by both federal and state laws. The Empress Property and the Winnemucca Property are administered by the United States Department of Interior, Bureau of Land Management (“BLM”) in Nevada. In general, the federal laws that govern mining claim location and maintenance and mining operations on Federal Lands, including the Empress Property and Winnemucca Property, are administered by the BLM. Additional federal laws, such as those governing the purchase, transport or storage of explosives, and those governing mine safety and health, also apply.

The State of Nevada likewise requires various permits and approvals before mining operations can begin, although the state and federal regulatory agencies usually cooperate to minimize duplication of permitting efforts. Among other things, a detailed reclamation plan must be prepared and approved, with bonding in the amount of projected reclamation costs. The bond is used to ensure that proper reclamation takes place, and the bond will not be released until that time. The Nevada Division of Environmental Protection (NDEP) is the state agency that administers the reclamation permits, mine permits and related closure plans on the project. Local jurisdictions may also impose permitting requirements, such as conditional use permits or zoning approvals.

Mining activities at the Empress Property and Winnemucca Property are also subject to various environmental laws, both federal and state, including but not limited to the federal *National Environmental Policy Act*, *CERCLA* (as defined below), the *Resource Recovery and Conservation Act*, the *Clean Water Act*, the *Clean Air Act* and the *Endangered Species Act*, and certain Nevada state laws governing the discharge of pollutants and the use and discharge of water. Various permits from federal and state agencies are required under many of these laws. Local laws and ordinances may also apply to such activities as waste disposal, road use and noise levels.

We are committed to fulfilling our requirements under applicable environmental laws and regulations. These laws and regulations are continually changing and, as a general matter, are becoming more restrictive. Our policy is to conduct our business in a manner that safeguards public health and mitigates the environmental effects of our business activities. To comply with these laws and regulations, we have made, and in the future may be required to make, capital and operating expenditures.

The *Comprehensive Environmental Response, Compensation, and Liability Act of 1980*, as amended (CERCLA), imposes strict, joint, and several liability on parties associated with releases or threats of releases of hazardous substances. Liable parties include, among others, the current owners and operators of facilities at which hazardous substances were disposed or released into the environment and past owners and operators of properties who owned such properties at the time of such disposal or release. This liability could include response costs for removing or remediating the release and damages to natural resources. We are unaware of any reason why our properties would currently give rise to any potential liability under CERCLA. We cannot predict the likelihood of future liability under CERCLA with respect to our properties or surrounding areas that have been affected by historic mining operations.

Under the *Resource Conservation and Recovery Act* (RCRA) and related state laws, mining companies may incur costs for generating, transporting, treating, storing, or disposing of hazardous or solid wastes associated with certain mining-related activities. RCRA costs may also include corrective action or clean up costs.

Mining operations may produce air emissions, including fugitive dust and other air pollutants, from stationary equipment, such as crushers and storage facilities, and from mobile sources such as trucks and heavy construction equipment. All of these sources are subject to review, monitoring, permitting, and/or control requirements under the federal *Clean Air Act* and related state air quality laws. Air quality permitting rules may impose limitations on our production levels or create additional capital expenditures in order to comply with the permitting conditions. Under the federal *Clean Water Act* and delegated state water-quality programs, point-source discharges into “Waters of the State” are regulated by the National Pollution Discharge Elimination System (NPDES) program. Section 404 of the *Clean Water Act* regulates the discharge of dredge and fill material into “Waters of the United States,” including wetlands. Stormwater discharges also are regulated and permitted under that statute. All of those programs may impose permitting and other requirements on our operations.

The *National Environmental Policy Act* (NEPA) requires an assessment of the environmental impacts of “major” federal actions. The “federal action” requirement can be satisfied if the project involves federal land or if the federal government provides financing or permitting approvals. NEPA does not establish any substantive standards. It merely requires the analysis of any potential impact. The scope of the assessment process depends on the size of the project. An “Environmental Assessment” (EA) may be adequate for smaller projects. An “Environmental Impact Statement” (EIS), which is much more detailed and broader in scope than an EA, is required for larger projects. NEPA compliance requirements for any of our proposed projects could result in additional costs or delays.

The *Endangered Species Act* (ESA) is administered by the U.S. Fish and Wildlife Service of the U.S. Department of Interior. The purpose of the ESA is to conserve and recover listed endangered and threatened species and their habitat. Under the ESA, “endangered” means that a species is in danger of extinction throughout all or a significant portion of its range. The term “threatened” under such statute means that a species is likely to become endangered within the foreseeable future. Under the ESA, it is unlawful to “take” a listed species, which can include harassing or harming members of such species or significantly modifying their habitat. We currently are unaware of any endangered species issues at our projects that would have a material adverse effect on our operations. Future identification of endangered species or habitat in our project areas may delay or adversely affect our operations.

U.S. federal and state reclamation requirements often mandate concurrent reclamation and require permitting in addition to the posting of reclamation bonds, letters of credit or other financial assurance sufficient to guarantee the cost of reclamation. If reclamation obligations are not met, the designated agency could draw on these bonds or letters of credit to fund expenditures for reclamation requirements. Reclamation requirements generally include stabilizing, contouring and re-vegetating disturbed lands, controlling drainage from portals and waste rock dumps, removing roads and structures, neutralizing or removing process solutions, monitoring groundwater at the mining site, and maintaining visual aesthetics. We are committed to maintaining all of our financial assurance and reclamation obligations.

We believe that we are currently in compliance with the statutory and regulatory provisions governing our operations. We hold or will hold all necessary permits and other authorizations to the extent that our current or future claims and the associated operations require them. During the initial phases of our exploration program there will not be any significant disturbances to the land or environment and hence, no government approval is required.

However, we may do business and own properties in a number of different geographical areas and are therefore subject to the jurisdictions of a large number of different authorities at different countries. We plan to comply with all statutory and regulatory provisions governing our current and future operations. However, these regulations may increase significant costs of compliance to us, and regulatory authorities also could impose administrative, civil and criminal penalties for non-compliance. At this time, it is not possible to accurately estimate how laws or regulations would impact our future business. We also can give no assurance that we will be able to comply with future changes in the statutes and regulations.

As we do not know the extent of the exploration program that we will be undertaking, we cannot estimate the cost of the remediation and reclamation that will be required. Hence, it is impossible at this time to assess the impact of any capital expenditures on earnings or our competitive position in the event that a potentially economic deposit is discovered.

If we are successful in identifying a commercially viable ore body and we are able to enter into commercial production, due to the increased environmental impact, the cost of complying with permit and environmental laws will be greater than in the previous phases.

Environmental Regulations

We are not aware of any material violations of environmental permits, licenses or approvals that have been issued with respect to our operations. We expect to comply with all applicable laws, rules and regulations relating to our business, and at this time, we do not anticipate incurring any material capital expenditures to comply with any environmental regulations or other requirements.

While our intended projects and business activities do not currently violate any laws, any regulatory changes that impose additional restrictions or requirements on us or on our potential customers could adversely affect us by increasing our operating costs or decreasing demand for our products or services, which could have a material adverse effect on our results of operations.

Oil & Gas Sector

Competition

The petroleum industry is highly competitive. Many of the oil and gas exploration companies with whom we compete have greater financial and technical resources than we do. Accordingly, these competitors may be able to spend greater amounts on acquisitions of properties of merit and on exploration. In addition, they may be able to afford greater geological expertise in the targeting and exploration of resource properties. This competition could result in our competitors having resource properties of greater quality and interest to prospective investors who may finance additional exploration, and to senior exploration companies that may purchase resource properties or enter into joint venture agreements with junior exploration companies. This competition could adversely impact our ability to finance property acquisitions and further exploration.

We compete with other exploration and early stage operating companies for financing from a limited number of investors prepared to make investments in junior companies exploring for conventional and unconventional oil and gas resources. The presence of competing oil and gas exploration companies, both major and independent, may impact our ability to raise additional capital in order to fund our exploration programs if investors are of the view that investments in competitors are more attractive based on the merit of the properties under investigation, and the price of the investment offered to investors.

Governmental Regulation

Our business is affected by numerous laws and regulations, including energy, environmental, conservation, tax and other laws and regulations relating to the oil and natural gas industry. We have developed internal procedures and policies to ensure that our operations are conducted in full and substantial environmental regulatory compliance.

Failure to comply with any laws and regulations may result in the assessment of administrative, civil and/or criminal penalties, the imposition of injunctive relief or both. Moreover, changes in any of these laws and regulations could have a material adverse effect on business. In view of the many uncertainties with respect to current and future laws and regulations, including their applicability to us, we cannot predict the overall effect of such laws and regulations on our future operations.

We believe that our operations comply in all material respects with applicable laws and regulations and that the existence and enforcement of such laws and regulations have no more restrictive an effect on our operations than on other similar companies in the oil and natural gas industry.

Pricing and Marketing of Natural Gas

In the US, historically, the sale of natural gas in interstate commerce has been regulated pursuant to the Natural Gas Act of 1938, or the NGA, the Natural Gas Policy Act of 1978, or the NGPA, and regulations promulgated thereunder by the Federal Energy Regulatory Commission, or the FERC. In 1989, Congress enacted the Natural Gas Wellhead Decontrol Act, or the Decontrol Act. The Decontrol Act removed all NGA and NGPA price and non-price controls affecting wellhead sales of natural gas effective January 1, 1993 and sales by producers of natural gas are uncontrolled and can be made at market prices. The natural gas industry historically has been heavily regulated and from time to time proposals are introduced by Congress and the FERC and judicial decisions are rendered that impact the conduct of business in the natural gas industry. We cannot assure you that the less stringent regulatory approach recently pursued by the FERC and Congress will continue.

Pricing and Marketing of Oil

In the US, sales of crude oil, condensate and natural gas liquids are not regulated and are made at negotiated prices. Effective January 1, 1995, the FERC implemented regulations establishing an indexing system for transportation rates for oil that allowed for an increase in the cost of transporting oil to the purchaser.

Royalties and Incentives

The royalty regime is a significant factor in the profitability of oil, natural gas and natural gas liquids production. In the US, all royalties are determined by negotiations between the mineral owner and the lessee.

Environmental

Like the oil and natural gas industry in general, our properties are subject to extensive and changing federal, state and local laws and regulations designed to protect and preserve natural resources and the environment. The recent trend in environmental legislation and regulation in the oil and natural gas industry is generally toward stricter standards, and this trend is likely to continue. These laws and regulations often require a permit or other authorization before construction or drilling commences and for certain other activities; limit or prohibit access, especially in wilderness areas with endangered or threatened plant or animal species; impose restrictions on construction, drilling and other exploration and production activities; regulate air emissions, wastewater and other production and waste streams from our operations; impose substantial liabilities for pollution that may result from our operations; and require the reclamation of certain lands.

The permits required for many of our operations are subject to revocation, modification and renewal by issuing authorities. Governmental authorities have the power to enforce compliance with their regulations, and violations are subject to fines, compliance orders, and other enforcement actions. We are not aware of any material noncompliance with current applicable environmental laws and regulations, and we have no material commitments for capital expenditures to comply with existing environmental requirements, however, given the complex regulatory requirements applicable to our operations, and the rapidly changing nature of environmental laws in our industry, we cannot predict our future exposure concerning such matters, and our future costs to achieve compliance, or remedy potential violations, could be significant. Our operations require permits and are regulated under environmental laws, and current or future noncompliance with such laws, as well as changes to existing laws or interpretations thereof, could have a significant impact on us, as well as the oil and natural gas industry in general.

Waste Disposal and Contamination Issues

The federal Comprehensive Environmental Response, Compensation and Liability Act and comparable state laws may impose strict and joint and several liability on owners and operators of contaminated sites and on persons who disposed of or arranged for the disposal of hazardous substances found at such sites. Under these and other laws, the government, neighboring landowners and other third parties may recover the costs of responding to soil and groundwater contamination and threatened releases of hazardous substances, and seek recovery for related natural resources damages, personal injury and property damage. Some of our properties have been used for exploration and production activities for a number of years by third parties, and such properties could result in unknown cleanup liabilities for us.

The federal Resource Conservation and Recovery Act (the "RCRA") and comparable state statutes govern the management, storage, treatment and disposal of solid waste and hazardous waste and authorize imposition of substantial fines and penalties for noncompliance. Although RCRA classifies certain oil field wastes as "non-hazardous" (for example, the waters produced from hydraulic fracturing operations), such wastes could be reclassified as hazardous wastes in the future, thereby making them subject to more stringent handling and disposal requirements which could have a material impact on us.

Water Regulation

The federal Clean Water Act (the "CWA"), the federal Safe Drinking Water Act (the "SWDA") and analogous state laws restrict the discharge of wastewater and other pollutants into surface waters or underground wells and the construction of facilities in wetland areas without a permit. Federal regulations also require certain owners or operators of facilities that store or otherwise handle oil, such as us, to prepare and implement spill prevention, control countermeasure and response plans relating to the possible discharge of oil into surface waters. In addition, the Oil Pollution Act (the "OPA ") contains numerous requirements relating to the prevention of and response to oil spills into waters of the United States. For onshore and offshore facilities that may affect waters of the United States, the OPA requires an operator to demonstrate financial responsibility. Regulations are currently being developed or considered under federal and state laws concerning oil pollution prevention and other matters that may impose additional regulatory burdens on us.

These and similar state laws also govern the management and disposal of produced waters from the extraction process. Currently, wastewater associated with oil and natural gas production is prohibited from being directly discharged to waterways and other waters of the U.S. While some of the wastewater is reused or re-injected, a significant amount still requires proper disposal. As a result, some wastewater is transported to third-party treatment plants. In October 2011, citing concerns that third-party treatment plants may not be properly equipped to handle wastewater from shale gas operations, the United States Environmental Protection Agency (the "EPA") announced that it will consider federal pre-treatment standards for these wastewaters. We cannot predict the EPA's future actions in this regard, but future regulation of our produced waters or other waste streams could have a material impact on us.

Air Emissions and Climate Change

The federal Clean Air Act ("CAA") imposes permit requirements and operational restrictions on certain sources of emissions used in our operations. In July 2011, the EPA published proposed New Source Performance Standards ("NSPS") and National Emissions Standards for Hazardous Air Pollutants ("NESHAPs") that would, if adopted, amend existing NSPS and NESHAP standards for oil and natural gas facilities and create new NSPS standards for oil and natural gas production, transmission and distribution facilities. Importantly, these standards would include standards for hydraulically fractured wells. The standards would apply to newly drilled and fractured wells as well as existing wells that are refractured. A court has directed the EPA to issue final rules by April 1, 2012. In a report issued in late 2011, the Shale Gas Production Subcommittee of the Department of Energy (the "DOE Shale Gas Subcommittee") called on the EPA to complete the rulemaking quickly and recommended expanding the shale gas emission sources to be covered by the new rules. The DOE Shale Gas Subcommittee also encouraged states to take similar action, and included several other recommendations for studying and reducing air emissions from shale gas production activities. Because the EPA's regulations have not yet been finalized, we cannot at this time predict the impact they may have on our financial condition or results of operation.

The issue of climate change has received increasing regulatory attention in recent years. The EPA has issued regulations governing carbon dioxide, methane and other greenhouse gas ("GHG") emissions citing its authority under the CAA. Several of these regulations have been challenged in litigation that is currently pending before the federal D.C. Circuit Court of Appeals. In December 2011, the EPA issued amendments to a final rule issued in 2010 requiring reporting of GHG emissions from the oil and natural gas industry. Under this rule, we are obligated to report to the EPA certain GHG emissions from our operations. We do not expect that the costs of this new reporting will be material to us. In a late 2011 report, the DOE Shale Gas Subcommittee recommended that the EPA expand reporting requirements for GHG emissions from shale gas emission sources, and include methane in reporting requirements. More generally, several proposals to regulate GHG emissions have been proposed in the U.S. Congress, and various states have taken steps to regulate GHG emissions. The adoption and implementation of regulations or legislation imposing restrictions or other regulatory obligations on emissions of GHGs from oil and natural gas operations could require us to obtain permits or allowances for our GHG emissions, install new pollution controls, increase our operational costs, limit our operations or adversely affect demand for the oil and natural gas produced from our lands.

Regulation of Hydraulic Fracturing

Our industry uses hydraulic fracturing to recover oil and natural gas in deep shale and other previously inaccessible subsurface geological formations. Hydraulic fracturing (or "fracking") is a process to significantly increase production in drilled wells by creating or expanding cracks, or fractures, in underground formations by injecting water, sand and other additives into formations at high pressures. Like others in our industry, we may use this process as a means to increase the productivity of our wells. Although hydraulic fracturing has been an accepted practice in the oil and natural gas industry for many years, its use has dramatically increased in the last decade, and concerns over its potential environmental effects have received increasing attention from regulators and the public.

Under the Safe Drinking Water Act ("SDWA"), the EPA is prohibited from regulating the injection of fracking fluids through its underground injection control program, except in limited circumstances (for example, the EPA has asserted that it has authority to regulate when diesel is a component of the fluids). Waters produced from fracking operations must be disposed of in accordance with federal and state regulations. As discussed above, the EPA has announced an intention to propose pre-treatment standards for produced waters that are to be disposed of at third-party wastewater treatment plants. Separately, the EPA is studying the effects of fracking on drinking water as a result of Congressional and public concern over fracking's potential to impact groundwater supplies, and the EPA has indicated that it expects to issue its findings later this year.

In that regard, the EPA recently issued a study indicating that contamination may have resulted from certain fracking operations in Wyoming. The operator of the wells has challenged the EPA's findings, contending that other activities may be to blame for contaminated groundwater in the area, but the EPA's findings can be expected to draw increased attention to potential groundwater impacts from fracking. In late 2011, the DOE Shale Gas Subcommittee recommended further study and coordination of federal, state and local efforts to determine and monitor potential groundwater impacts from fracking activities.

Other federal agencies, including the DOE, the Department of Interior, and the US Congress, are also investigating the potential impacts of fracking. In addition, bills have been introduced in the US. Congress to amend the SWDA to allow the EPA to regulate the injection of fracking fluids, which could require our and similar operations to meet federal permitting and financial assurance requirements, adhere to certain construction and testing specifications, fulfill monitoring, reporting, and recordkeeping obligations, and meet plugging and abandonment requirements. In addition, the federal Bureau of Land Management is developing draft regulations that would require companies drilling on federal land to disclose details of chemical additives, test the integrity of wells and report on water use and waste management. In November 2011, the EPA announced that it would solicit public input on possible reporting requirements for chemicals used in fracking under the authority of the federal Toxic Substances Control Act.

States, which traditionally have been the primary regulators of exploration and production wells, are also considering or have recently adopted, or may in the future adopt, additional regulations governing fracking activities. For example, North Dakota recently adopted regulations, effective April 1, 2012, to require disclosure of the chemical components of hydraulic fracturing fluids. We believe that compliance with any new reporting requirements will not have a material adverse impact on us. Nonetheless, these disclosures could make it easier for third parties who oppose fracking to initiate legal proceedings based on allegations that chemicals used in fracking could contaminate groundwater.

In addition, concerns have been raised about the potential for fracking to cause earthquakes through the disposal of produced waters into Class II underground injection control ("UIC"). The EPA's current regulatory requirements for such wells do not require the consideration of seismic impacts when issuing permits. Some environmentalists have asked the EPA to consider reversing an exemption that excludes such wastewaters from hazardous waste rules, which would subject the wastes to more stringent management and disposal requirements. We cannot predict the EPA's future actions in this regard. Certain states, such as Ohio, where earthquakes have been alleged to be linked to fracking activities, have proposed regulations that would require mandatory reviews of seismic data and related testing and monitoring as part of the future permitting process for UIC wells. In addition, certain other states, including New York, New Jersey and Vermont have sought to place moratoria on fracking or subject it to more stringent permitting and well construction and testing requirements. Additionally, several cities in the State of Colorado voted in November 2013 to ban or restrict fracking activities within their city limits.

Research and Development Expenditures

We have not incurred any research and development expenditures over the past two fiscal years.

Employees

As of July 31, 2015 we have three employees, consisting of our three officers, Roger Autrey, Howard Siegel and Ivan Webb. Mr. Autrey was appointed Secretary on September 19, 2013. Mr. Siegel was appointed as a director on April 23, 2014. Mr. Siegel was appointed as President, Chief Executive Officer, Chief Financial Officer, and Treasurer on April 24, 2014. Mr. Webb was appointed as Vice President and a director on March 16, 2015.

We engage contractors from time to time to consult with us on specific corporate affairs or to perform specific tasks in connection with our exploration programs.

Subsidiaries

We do not have any subsidiaries.

Intellectual Property

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

ITEM 1A. RISK FACTORS

Risks Related To Our Overall Business Operations

We have a limited operating history with significant losses and expect losses to continue for the foreseeable future.

We have yet to establish any history of profitable operations. As at July 31, 2015, we have an accumulated deficit of \$817,335 and a total stockholders' deficiency of \$201,940. We have not generated any revenues since our inception and do not anticipate that we will generate revenues which will be sufficient to sustain our operations. We expect that our revenues will not be sufficient to sustain our operations for the foreseeable future. Our profitability will require our investments in oil and gas properties to become cash flow positive and/or the successful commercialization of our mining properties. We may not be able to successfully obtain a positive cash flow from our oil and gas investments or through commercializing our mining properties or ever become profitable.

There is doubt about our ability to continue as a going concern due to recurring losses from operations, accumulated deficit and insufficient cash resources to meet our business objectives, all of which means that we may not be able to continue operations.

Our independent auditors have added an explanatory paragraph to their audit opinion issued in connection with the financial statements for the years ended July 31, 2015 and 2014, respectively, with respect to their doubt about our ability to continue as a going concern. As discussed in Note 1 to our financial statements for the year ended July 31, 2015, we have generated operating losses since inception, and our cash resources are insufficient to meet our planned business objectives, which together raises doubt about our ability to continue as a going concern.

We may not be able to secure additional financing to meet our future capital needs due to changes in general economic conditions.

We anticipate needing significant capital to conduct further exploration and development needed to bring our existing oil and gas and mining properties into production and/or to continue to seek out appropriate joint venture partners or buyers for certain mining properties. We may use capital more rapidly than currently anticipated and incur higher operating expenses than currently expected, and we may be required to depend on external financing to satisfy our operating and capital needs. We may need new or additional financing in the future to conduct our operations or expand our business. Any sustained weakness in the general economic conditions and/or financial markets in the United States or globally could adversely affect our ability to raise capital on favorable terms or at all. From time to time we have relied, and may also rely in the future, on access to financial markets as a source of liquidity to satisfy working capital requirements and for general corporate purposes. We may be unable to secure debt or equity financing on terms acceptable to us, or at all, at the time when we need such funding. If we do raise funds by issuing additional equity or convertible debt securities, the ownership percentages of existing stockholders would be reduced, and the securities that we issue may have rights, preferences or privileges senior to those of the holders of our common stock or may be issued at a discount to the market price of our common stock which would result in dilution to our existing stockholders. If we raise additional funds by issuing debt, we may be subject to debt covenants, which could place limitations on our operations including our ability to declare and pay dividends. Our inability to raise additional funds on a timely basis would make it difficult for us to achieve our business objectives and would have a negative impact on our business, financial condition and results of operations.

Our properties are in the exploration stage. There is no assurance that we can establish the existence of any mineral resource on any of our properties in commercially exploitable quantities. Until we can do so, we cannot earn any revenues from operations and if we do not do so we will lose all of the funds that we expend on exploration. If we do not discover any mineral resource in a commercially exploitable quantity, our business could fail.

Despite exploration work on our mineral properties, we have not established that our properties have sufficient mineral reserve to justify a mining operation, and there can be no assurance that we will be able to do so. If we do not, our business could fail.

A mineral reserve is defined by the Securities and Exchange Commission in its Industry Guide 7 (which can be viewed over the Internet at <http://www.sec.gov/divisions/corpfin/forms/industry.htm#secguide7>.) as that part of a mineral deposit which could be economically and legally extracted or produced at the time of the reserve determination. The probability of an individual prospect ever having a "reserve" that meets the requirements of the Securities and Exchange Commission's Industry Guide 7 is extremely remote; in all probability our mineral resource properties do not contain any 'reserve' and any funds that we spend on exploration will probably be lost.

Even if we do eventually discover a mineral reserve on any of our properties, there can be no assurance that we will be able to develop any of our properties into a producing mine and extract those resources. Both mineral exploration and development involve a high degree of risk and few properties which are explored are ultimately developed into producing mines.

The commercial viability of an established mineral deposit will depend on a number of factors including, by way of example, the size, grade and other attributes of the mineral deposit, the proximity of the resource to infrastructure such as a smelter, roads and a point for shipping, government regulation and market prices. Most of these factors will be beyond our control, and any of them could increase costs and make extraction of any identified mineral resource unprofitable.

Mineral operations are subject to applicable law and government regulation. Even if we discover a mineral resource in a commercially exploitable quantity, these laws and regulations could restrict or prohibit the exploitation of that mineral resource. If we cannot exploit any mineral resource that we might discover on any of our properties, our business may fail.

Both mineral exploration and extraction require permits from various foreign, federal, state, provincial and local governmental authorities and are governed by laws and regulations, including those with respect to prospecting, mine development, mineral production, transport, export, taxation, labor standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that we will be able to obtain or maintain any of the permits required for the continued exploration of our mineral properties or for the construction and operation of a mine on our properties at economically viable costs. If we cannot accomplish these objectives, our business could fail.

We believe that we are in compliance with all material laws and regulations that currently apply to our activities but there can be no assurance that we can continue to remain in compliance. Current laws and regulations could be amended and we might not be able to comply with them, as amended. Further, there can be no assurance that we will be able to obtain or maintain all permits necessary for our future operations, or that we will be able to obtain them on reasonable terms. To the extent such approvals are required and are not obtained, we may be delayed or prohibited from proceeding with planned exploration or development of our mineral properties.

If we establish the existence of a mineral resource on any of our properties in a commercially exploitable quantity, we will require additional capital in order to develop the property into a producing mine. If we cannot raise this additional capital, we will not be able to exploit the resource, and our business could fail.

If we do discover mineral resources in commercially exploitable quantities on any of our properties, we will be required to expend substantial sums of money to establish the extent of the resource, develop processes to extract it and develop extraction and processing facilities and infrastructure. Although we may derive substantial benefits from the discovery of a major deposit, there can be no assurance that any discovered resource will be large enough to justify commercial operations, nor can there be any assurance that we will be able to raise the funds required for development on a timely basis. If we cannot raise the necessary capital or complete the necessary facilities and infrastructure, our business may fail.

Mineral exploration and development is subject to extraordinary operating risks. We do not currently insure against these risks. In the event of a cave-in or similar occurrence, our liability may exceed our resources, which would have an adverse impact on our company.

Mineral exploration, development and production involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. Our operations will be subject to all the hazards and risks inherent in the exploration for mineral resources and, if we discover a mineral resource in commercially exploitable quantity, our operations could be subject to all of the hazards and risks inherent in the development and production of resources, including liability for pollution, cave-ins or similar hazards against which we cannot insure or against which we may elect not to insure. Any such event could result in work stoppages and damage to property, including damage to the environment. We do not currently maintain any insurance coverage against these operating hazards. The payment of any liabilities that arise from any such occurrence would have a material adverse impact on our company.

Mineral prices are subject to dramatic and unpredictable fluctuations.

We expect to derive revenues, if any, either from the sale of our mineral resource properties or from the extraction and sale of ore. The price of those commodities has fluctuated widely in recent years, and is affected by numerous factors beyond our control, including international, economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumptive patterns, speculative activities and increased production due to new extraction developments and improved extraction and production methods. The effect of these factors on the price of base and precious metals, and therefore the economic viability of any of our exploration properties and projects, cannot accurately be predicted.

The mining industry is highly competitive and there is no assurance that we will continue to be successful in acquiring mineral claims. If we cannot continue to acquire properties to explore for mineral resources, we may be required to reduce or cease operations.

The mineral exploration, development, and production industry is largely un-integrated. We compete with other exploration companies looking for mineral resource properties. While we compete with other exploration companies in the effort to locate and acquire mineral resource properties, we will not compete with them for the removal or sales of mineral products from our properties if we should eventually discover the presence of them in quantities sufficient to make production economically feasible. Readily available markets exist worldwide for the sale of mineral products. Therefore, we will likely be able to sell any mineral products that we identify and produce.

In identifying and acquiring mineral resource properties, we compete with many companies possessing greater financial resources and technical facilities. This competition could adversely affect our ability to acquire suitable prospects for exploration in the future. Accordingly, there can be no assurance that we will acquire any interest in additional mineral resource properties that might yield reserves or result in commercial mining operations.

Risks Associated With Our Mining Industry

The development and operation of our mining projects involve numerous uncertainties.

Mine development projects, including our planned projects, typically require a number of years and significant expenditures during the development phase before production is possible.

Development projects are subject to the completion of successful feasibility studies, issuance of necessary governmental permits and receipt of adequate financing. The economic feasibility of development projects is based on many factors such as:

- estimation of reserves;
- anticipated metallurgical recoveries;
- future gold and silver prices; and
- anticipated capital and operating costs of such projects.

Our mine development projects may have limited relevant operating history upon which to base estimates of future operating costs and capital requirements. Estimates of proven and probable reserves and operating costs determined in feasibility studies are based on geologic and engineering analyses.

Any of the following events, among others, could affect the profitability or economic feasibility of a project:

- unanticipated changes in grade and tonnage of material to be mined and processed;
- unanticipated adverse geotechnical conditions;
- incorrect data on which engineering assumptions are made;
- costs of constructing and operating a mine in a specific environment;
- availability and cost of processing and refining facilities;
- availability of economic sources of power;
- adequacy of water supply;
- adequate access to the site;
- unanticipated transportation costs;
- government regulations (including regulations relating to prices, royalties, duties, taxes, restrictions on production, quotas on exportation of minerals, as well as the costs of protection of the environment and agricultural lands);
- fluctuations in metal prices; and
- accidents, labor actions and force majeure events.

Any of the above referenced events may necessitate significant capital outlays or delays, may materially and adversely affect the economics of a given property, or may cause material changes or delays in our intended exploration, development and production activities. Any of these results could force us to curtail or cease our business operations.

Mineral exploration is highly speculative, involves substantial expenditures, and is frequently non-productive.

Mineral exploration involves a high degree of risk and exploration projects are frequently unsuccessful. Few prospects that are explored end up being ultimately developed into producing mines. To the extent that we continue to be involved in mineral exploration, the long-term success of our operations will be related to the cost and success of our exploration programs. We cannot assure you that our mineral exploration efforts will be successful. The risks associated with mineral exploration include:

- the identification of potential economic mineralization based on superficial analysis;
- the quality of our management and our geological and technical expertise; and
- the capital available for exploration and development.



Substantial expenditures are required to determine if a project has economically mineable mineralization. It may take several years to establish proven and probable reserves and to develop and construct mining and processing facilities. Because of these uncertainties, our current and future exploration programs may not result in the discovery of reserves, the expansion of our existing reserves or the further development of our mines.

The price of gold and silver are highly volatile and a decrease in the price of gold or silver would have a material adverse effect on our business.

The profitability of mining operations is directly related to the market prices of metals. The market prices of metals fluctuate significantly and are affected by a number of factors beyond our control, including, but not limited to, the rate of inflation, the exchange rate of the dollar to other currencies, interest rates, and global economic and political conditions. Price fluctuations of metals from the time development of a mine is undertaken to the time production can commence can significantly affect the profitability of a mine. Accordingly, we may begin to develop one or more of our mining properties at a time when the price of metals makes such exploration economically feasible and, subsequently, incur losses because the price of metals decreases. Adverse fluctuations of the market prices of metals may force us to curtail or cease our business operations.

Mining risks and insurance could have an adverse effect on our profitability.

Our operations are subject to all of the operating hazards and risks normally incident to exploring for and developing mineral properties, such as unusual or unexpected geological formations, environmental pollution, personal injuries, flooding, cave-ins, changes in technology or mining techniques, periodic interruptions because of inclement weather and industrial accidents. Although maintenance of insurance to ameliorate some of these risks is part of our proposed exploration program associated with those mining properties we have an interest in, such insurance may not be available at economically feasible rates or in the future be adequate to cover the risks and potential liabilities associated with exploring, owning and operating our properties. Either of these events could cause us to curtail or cease our business operations.

We face significant competition in the mineral exploration industry.

We compete with other mining and exploration companies possessing greater financial resources and technical facilities than we do in connection with the acquisition of exploration properties and leases on prospects and properties and in connection with the recruitment and retention of qualified personnel. Such competition may result in our being unable to acquire interests in economically viable gold and silver exploration properties or qualified personnel.

Our applications for exploration permits may be delayed or may be denied in the future.

Exploration activities usually require the granting of permits from various governmental agencies. For exploration drilling on unpatented mineral claims, a drilling plan must be filed with the Bureau of Land Management or the United States Forest Service, which may then take several months or more to grant the requested permit. Depending on the size, location and scope of the exploration program, additional permits may also be required before exploration activities can be undertaken. Prehistoric or Indian grave yards, threatened or endangered species, archeological sites or the possibility thereof, difficult access, excessive dust and important nearby water resources may all result in the need for additional permits before exploration activities can commence. With all permitting processes, there is the risk that unexpected delays and excessive costs may be experienced in obtaining required permits or the refusal to grant required permits may not be granted at all, all of which may cause delays and unanticipated costs in conducting planned exploration activities. Any such delays or unexpected costs in the permitting process could result in serious adverse consequences to the price of our stock and to the value of your investment.

Risks Associated With Our Oil & Gas Industry

A substantial or extended decline in oil and natural gas prices or demand for oil and gas products may adversely affect our business, financial condition, cash flow, liquidity or results of operations and our ability to meet our capital expenditure obligations and financial commitments and to implement our business strategy.

The price we receive for our oil and natural gas production will heavily influence our revenue, profitability, access to capital, and future rate of growth. Recent extremely high prices have affected the demand for oil and gas products, and that demand has declined on a worldwide basis. If the decline in demand continues, the ability to command higher prices for oil and gas products will be endangered. Oil and natural gas are commodities, and, therefore, their prices are subject to wide fluctuations in response to relatively minor changes in supply and demand. Historically, the markets for oil and natural gas have been volatile. These markets will likely continue to be volatile in the future. The prices we receive for our production, and the levels of our production, and the revenue we will receive, depend on numerous factors beyond our control. These factors include the following:

- changes in global supply and demand for oil and natural gas;
- the actions of the Organization of Petroleum Exporting Countries ("OPEC") and other organizations and government entities;
- the price and quantity of imports of foreign oil and natural gas;
- political conditions and events worldwide, including rules concerning production and environmental protection, and political instability in countries with significant oil production such as the Congo and Venezuela, all affecting oil-producing activity;
- the level of global oil and natural gas exploration and production activity;
- the short and long term levels of global oil and natural gas inventories;
- weather conditions;
- technological advances affecting the exploitation for oil and gas, and related advances for energy consumption; and
- the price and availability of alternative fuels.

Lower oil and natural gas prices may not only decrease our revenues but may also reduce the amount of oil and natural gas that we can produce economically. A substantial or extended decline in oil or natural gas prices is likely to materially and adversely affect our future business, financial condition, results of operations, liquidity or ability to finance planned capital expenditures.

We plan to conduct exploration, exploitation and production operations, which present additional unique operating risks.

There are additional risks associated with oil and gas investment which involve production and well operations and drilling. These risks include, among others, substantial cost overruns and/or unanticipated outcomes that may result in uneconomic projects or wells. Cost overruns could materially reduce the funds available to the Company, and cost overruns are common in the oil and gas industry. Moreover, drilling expense and the risk of mechanical failure can be significantly increased in wells drilled to greater depths and where one is more likely to encounter adverse conditions such as high temperature and pressure.

We may not be able to control operations of the wells we acquire.

We may not be able to acquire the operations for properties that we invest in. As a result, we may have limited ability to exercise influence over the operations for these properties or their associated costs. Our dependence on another operator and other working interest owners for these projects and our limited ability to influence operations and associated costs could prevent the realization of our targeted returns on capital in drilling or acquisition activities. The success and timing of development and exploitation activities on properties operated by others depend upon a number of factors that will be largely outside of our control, including:

- the timing and amount of capital expenditures;
- the availability of suitable drilling rigs, drilling equipment, production and transportation infrastructure and qualified operating personnel;
- the operator's expertise and financial resources;
- approval of other participants in drilling wells; and
- selection of technology.

We may not be successful in identifying or developing recoverable reserves.

Our future success depends upon our ability to acquire and develop oil and gas reserves that are economically recoverable. Proved reserves will generally decline as reserves are depleted, except to the extent that we can replace those reserves by exploration and development activities or acquisition of properties contain exploration, drilling and recompletion programs or other replacement activities. Our current strategy includes increasing our reserve base through development, exploitation, exploration and acquisition. There can be no assurance that our planned development and exploration projects or acquisition activities will result in significant additional reserves or that we will have continuing success drilling productive wells at economical values in terms of their finding and development costs. Furthermore, while our revenues may increase if oil and gas prices increase significantly, finding costs for additional reserves have increased during the last few years. It is possible that product prices will decline while the Company is in the middle of executing its plans, while costs of drilling remain high. There can be no assurance that we will replace reserves or replace our reserves economically.

Our future oil & gas activities may not be successful.

Oil and gas activities are subject to many risks, including the risk that no commercially productive reservoirs will be encountered. There can be no assurance that new wells drilled by us will be productive or that we will recover all or any portion of our investment. Drilling for oil and gas may involve unprofitable efforts, not only from dry wells, but from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. The cost of drilling, completing and operating wells is often uncertain, and the cost associated with these activities has risen significantly during the past year. Our drilling operations may be curtailed, delayed or canceled as a result of numerous factors, many of which are beyond our control, including economic conditions, mechanical problems, title problems, weather conditions, governmental requirements and shortages or delays in the delivery of equipment and services. Our future oil and gas activities may not be successful and, if unsuccessful, such failure may have a material adverse effect on our future results of operations and financial condition.

Our operations are subject to risks associated with drilling or producing and transporting oil and gas.

Our operations are subject to hazards and risks inherent in drilling or producing and transporting oil and gas, such as fires, natural disasters, explosions, encountering formations with abnormal pressures, blowouts, cratering, pipeline ruptures and spills, any of which can result in the loss of hydrocarbons, environmental pollution, personal injury claims and other damage to our properties.

The lack of availability or high cost of drilling rigs, fracture stimulation crews, equipment, supplies, insurance, personnel and oil field services could adversely affect our ability to execute our exploration and development plans on a timely basis and within our budget.

Our industry is cyclical and, from time to time, there is a shortage of drilling rigs, fracture stimulation crews, equipment, supplies, key infrastructure, insurance or qualified personnel. During these periods, the costs and delivery times of rigs, equipment and supplies are substantially greater. In addition, the demand for, and wage rates of, qualified crews rise as the number of active rigs and completion fleets in service increases. If increasing levels of exploration and production result in response to strong prices of oil and natural gas, the demand for oilfield services will likely rise, and the costs of these services will likely increase, while the quality of these services may suffer. If the lack of availability or high cost of drilling rigs, equipment, supplies, insurance or qualified personnel were particularly severe in Texas, we could be materially and adversely affected because our operations and properties are concentrated in Texas at the present time.

Compliance with government regulations may require significant expenditures.

Our business is subject to federal, state and local laws and regulations relating to the exploration for, and the development, production and transportation of oil and gas, as well as safety matters. Although we will attempt to conduct due diligence concerning standard compliance issues, there is a heightened risk that our target properties are not in compliance because of lack of funding. We may be required to make significant expenditures to comply with governmental laws and regulations that may have a material adverse effect on our financial condition and results of operations. Even if the properties are in substantial compliance with all applicable laws and regulations, the requirements imposed by such laws and regulations are frequently changed and are subject to interpretation, and we are unable to predict the ultimate cost of compliance with these requirements or their effect on our operations.

Environmental regulations and costs of remediation could have a material adverse effect on our operations.

Our operations are subject to complex and constantly changing environmental laws and regulations adopted by federal, state and local government authorities. The implementation of new, or the modification of existing, laws or regulations could have a material adverse effect on our operations. The discharge of oil, gas or other pollutants into the air, soil, or water may give rise to significant liabilities on our part to the government and third parties, and may require us to incur substantial costs of remediation. We will be required to consider and negotiate the responsibility of the Company for prior and ongoing environmental liabilities. We may be required to post or assume bonds or other financial guarantees with the parties from whom we purchase properties or with governments to provide financial assurance that we can meet potential remediation costs. There can be no assurance that existing environmental laws or regulations, as currently interpreted or reinterpreted in the future, or future laws or regulations will not materially adversely affect our results of operation and financial condition or that material indemnity claims will not arise against us with respect to properties acquired by us.

Certain United States federal income tax deductions currently available with respect to oil and natural gas exploration and production may be eliminated as a result of future legislation.

Recently, there has been significant discussion among members of Congress regarding potential legislation that, if enacted into law, would eliminate certain key United States federal income tax incentives currently available to oil and natural gas exploration and production companies. These changes include, among other proposals:

- the repeal of the limited percentage depletion allowance for oil and natural gas production in the United States;
- the replacement of expensing intangible drilling and development costs in the year incurred with an amortization of those costs over several years;
- the elimination of the deduction for certain domestic production activities; and
- an extension of the amortization period for certain geological and geophysical expenditures.

It is unclear whether these or similar changes will be enacted. The passage of this legislation or any similar changes in federal income tax laws could eliminate or postpone certain tax deductions that are currently available with respect to U.S. oil and natural gas exploration and development. Any such changes could have an adverse effect on our financial position, results of operations and cash flows.

We operate in a highly competitive environment.

We operate in the highly competitive areas of oil and gas exploration, development, acquisition and production with other companies. In seeking to acquire desirable producing properties or new leases for future exploration, and in marketing our oil and gas production, we face intense competition from both major and independent oil and gas companies. If any of these competitors have financial and other resources substantially in excess of those available to us. Our inability to effectively compete in this environment could materially and adversely affect our financial condition and results of operations.

The producing life of oil and gas wells is uncertain, and production will decline.

It is not possible to predict the life and production of any oil and gas wells with accuracy. The actual life could differ significantly from that anticipated. Sufficient oil or natural gas may not be produced for investors to receive a profit or even to recover their initial investments. In addition, production from the Company's oil and natural gas wells, if any, will decline over time, and current production does not necessarily indicate any consistent level of future production. A production decline may be rapid and irregular when compared to a well's initial production.

Our lack of diversification will increase the risk of an investment in us, as our financial condition may deteriorate if we fail to diversify.

Larger companies have the ability to manage their risk by diversification. However, we lack diversification, in terms of both the nature and geographic scope of our business. As a result, we will likely be impacted more acutely by factors affecting our industry or the regions in which we operate than we would if our business were more diversified, enhancing our risk profile. If we cannot diversify our operations, our financial condition and results of operations could deteriorate. The Company has a limited number of potential revenue generating properties. These properties historically had revenue derived from the sale of natural gas and oil. Therefore, the price we receive for our oil and natural gas production heavily influences our revenue, profitability, access to capital and future rate of growth.

Our business may suffer if we do not attract and retain talented personnel.

Our success will depend in large measure on the abilities, expertise, judgment, discretion, integrity and good faith of our management and other personnel in conducting our intended business. We presently have a small management team which we intend to expand in conjunction with our planned operations and growth. The loss of a key individual, or our inability to attract suitably qualified staff could materially adversely impact our business.

We may not be able to establish substantial oil operations or manage our growth effectively, which may harm our profitability.

Our strategy envisions establishing and expanding our oil business. If we fail to effectively establish sufficient oil operations and thereafter manage our growth, our financial results could be adversely affected. Growth may place a strain on our management systems and resources. We must continue to refine and expand our business development capabilities, our systems and processes, and our access to financing sources. As we grow, we must continue to hire, train, supervise and manage new employees. We cannot assure you that we will be able to:

- meet our capital needs;
- expand our systems effectively or efficiently or in a timely manner;
- allocate our human resources optimally
- identify and hire qualified employees or retain valued employees; or
- incorporate effectively the components of any business that we may acquire in our effort to achieve growth.

If we are unable to manage our growth, our operations and our financial results could be adversely affected by inefficiency, which could diminish our profitability.

Relationships upon which we may rely are subject to change, which may diminish our ability to conduct our operations.

To develop our business, it will be necessary for us to establish business relationships, which may take the form of joint ventures with private parties and contractual arrangements with other unconventional oil companies, including those that supply equipment and other resources that we expect to use in our business. We may not be able to establish these relationships, or if established, we may not be able to maintain them. In addition, the dynamics of our relationships with strategic partners may require us to incur expenses or undertake activities we would not otherwise be inclined to in order to fulfill our obligations to these partners or maintain our relationships. If our strategic relationships are not established or maintained, our business prospects may be limited, which could diminish our ability to conduct our operations.

An increase in royalties payable may make our operations unprofitable.

Any development project of our resource assets will be directly affected by the royalty regime applicable. The economic benefit of future capital expenditures for the project is, in many cases, dependent on a satisfactory royalty regime. There can be no assurance that governments will not adopt a new royalty regime that will make capital expenditures uneconomic or that the royalty regime currently in place will remain unchanged.

Hydraulic fracturing, the process used for releasing oil and natural gas from shale rock, has recently come under increased scrutiny and could be the subject of further regulation that could impact the timing and cost of development .

Recently there has been increasing public and regulatory attention focused on the potential environmental impact of hydraulic fracturing (or "fracking") operations. This process, which involves the injection of water, sand and certain additives deep underground to release natural gas, natural gas liquids and oil deposits, is part of our proposed future operations and future regulation of these activities could have a material adverse impact on our business, financial condition and results of operations.

Various government agencies, political representatives and public interest groups have raised concerns about the potential for fracking to lead to groundwater contamination, and various regulatory and legislative measures have been proposed or adopted at the federal, state and local level to study or monitor related concerns, to regulate well operations and related production and waste streams, or to ban fracking entirely. For example, various states and federal regulatory authorities require or are considering requiring public disclosure of the chemicals contained in fracking fluids, and testing and monitoring obligations relating to well integrity and operation. North Dakota, a state in which we conduct operations, recently amended its current regulations to require additional pollution control equipment at well sites and enhanced emergency response procedures in addition to other measures designed to reduce potential environmental impacts. In 2011, the EPA announced its intention to consider pre-treatment standards for produced waters that are sent to third party wastewater treatment plants.

In addition, bills have been proposed in the US. Congress to allow the EPA to regulate the injection of fracking fluids under the federal Safe Drinking Water Act, which could require hydraulic fracturing operations to meet federal permitting and financial assurance requirements, adhere to certain construction specifications, fulfill monitoring, reporting, and recordkeeping obligations, and meet plugging and abandonment requirements. The proposed legislation also would require the reporting and public disclosure of chemicals used in the fracturing process, which could make it easier for third parties opposing the hydraulic fracturing process to initiate legal proceedings based on allegations that specific chemicals used in the fracturing process could adversely affect groundwater. In addition, in light of concerns about seismic activity being triggered by the injection of produced waters into underground wells, certain regulators are considering additional requirements related to seismic safety. Other concerns have been raised regarding water usage, air emissions (including greenhouse gas emissions) and waste disposal, and certain jurisdictions have imposed moratoria on fracking operations while the potential impacts are studied. The EPA, Congress and other government representatives continue to investigate the impacts of fracking, and additional studies and regulatory or legislative initiatives are possible.

Depending on the legislation that may ultimately be enacted or the regulations that may be adopted at the federal, and/or state levels, exploration and production activities that entail hydraulic fracturing could be subject to additional regulation and permitting requirements. Individually or collectively, such new legislation or regulation could lead to operational delays or increased operating costs and could result in additional burdens that could increase the costs and delay or curtail the development of conventional and unconventional oil and natural gas resources including development of shale formations which are not commercial without the use of hydraulic fracturing. This could have an adverse effect on our business, financial condition and results of operations.

Risks Related To Our Oil & Gas Industry

Exploration for petroleum and gas products is inherently speculative. There can be no assurance that we will ever establish commercial discoveries.

Exploration for economic reserves of oil and gas is subject to a number of risk factors. Few properties that are explored are ultimately developed into producing oil or gas wells. Some of our properties are in the exploration stage only and are without proven reserves of oil and gas. We may not establish commercial discoveries on any of our properties.

There are numerous uncertainties inherent in estimating quantities of conventional and unconventional oil and gas resources, including many factors beyond our control and no assurance can be given that expected levels of resources or recovery of oil and gas will be realized. In general, estimates of recoverable oil and gas resources are based upon a number of factors and assumptions made as of the date on which resource estimates are determined, such as geological and engineering estimates which have inherent uncertainties and the assumed effects of regulation by governmental agencies and estimates of future commodity prices and operating costs, all of which may vary considerably from actual results. All such estimates are, to some degree, uncertain, and classifications of resources are only attempts to define the degree of uncertainty involved. For these reasons, estimates of the recoverable unconventional oil, the classification of such resources based on risk of recovery, prepared by different engineers or by the same engineers at different times, may vary substantially.

Prices and markets for oil and gas are unpredictable and tend to fluctuate significantly, which could reduce profitability, growth and the value of our proposed business .

Our revenues and earnings, if any, will be highly sensitive to the price of oil and gas. Prices for oil and gas are subject to large fluctuations in response to relatively minor changes in the supply of and demand for oil and gas, market uncertainty, and a variety of additional factors beyond our control. These factors include, without limitation, weather conditions, the condition of the Canadian, US. and global economies, the actions of the Organization of Petroleum Exporting Countries, governmental regulations, political stability in the Middle East and elsewhere, war, or the threat of war, in oil producing regions, the foreign supply of oil, the price of foreign imports, and the availability of alternate fuel sources. Significant changes in long-term price outlooks for crude oil and natural gas could have a material adverse effect on us. For example, market fluctuations of oil prices may render uneconomic the extraction of oil and gas.

All of these factors are beyond our control and can result in a high degree of price volatility not only in crude oil and natural gas prices, but also fluctuating price differentials between heavy and light grades of crude oil, which can impact prices for our crude oil. Oil and natural gas prices have fluctuated widely in recent years, and we expect continued volatility and uncertainty in crude oil and natural gas prices. A prolonged period of low crude oil and natural gas prices could affect the value of our crude oil and gas properties and the level of spending on growth projects, and could result in curtailment of production on some properties. Accordingly, low crude oil prices in particular could have an adverse impact on our financial condition and liquidity and results of operations.

Existing environmental regulations impose substantial operating costs which could adversely effect our business.

Environmental regulation affects nearly all aspects of our operations. These regulatory regimes are laws of general application that apply to us in the same manner as they apply to other companies and enterprises in the energy industry. Conventional and unconventional oil extraction operations present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of federal, state and county laws and regulations.

Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil operations. The legislation also requires that facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material.

We expect future changes to environmental legislation, including anticipated legislation for air pollution and greenhouse gases that will impose further requirements on companies operating in the energy industry. Changes in environmental regulation could have an adverse effect on us from the standpoint of product demand, product reformulation and quality, methods of production and distribution and costs, and financial results. For example, requirements for cleaner-burning fuels could cause additional costs to be incurred, which may or may not be recoverable in the marketplace. The complexity and breadth of these issues make it extremely difficult to predict their future impact on us. Management anticipates capital expenditures and operating expenses could increase in the future as a result of the implementation of new and increasingly stringent environmental regulations.

Abandonment and reclamation costs are unknown and may be substantial.

Certain environmental regulations govern the abandonment of project properties and reclamation of lands at the end of their economic life, the costs of which may be substantial. A breach of such regulations may result in the issuance of remedial orders, the suspension of approvals, or the imposition of fines and penalties, including an order for cessation of operations at the site until satisfactory remedies are made. It is not possible to estimate with certainty abandonment and reclamation costs since they will be a function of regulatory requirements at the time.

Changes in the granting of governmental approvals could raise our costs and adversely affect our business.

Permits, leases, licenses, and approvals are required from a variety of regulatory authorities at various stages of exploration and development. There can be no assurance that the various government permits, leases, licenses and approvals sought will be granted in respect of our activities or, if granted, will not be cancelled or will be renewed upon expiration. There is no assurance that such permits, leases, licenses, and approvals will not contain terms and provisions which may adversely affect our exploration and development activities.

Amendments to current laws and regulations governing our proposed operations could have a material adverse impact on our proposed business.

Our business will be subject to substantial regulation under state and federal laws relating to the exploration for, and the development, upgrading, marketing, pricing, taxation, and transportation of unconventional oil and related products and other matters. Amendments to current laws and regulations governing operations and activities of conventional and unconventional oil extraction operations could have a material adverse impact on our proposed business. In addition, there can be no assurance that income tax laws, royalty regulations and government incentive programs related to the unconventional oil industry generally will not be changed in a manner which may adversely affect us and cause delays, inability to complete or abandonment of properties.

Risks Related To The Market For Our Stock

Trading of our stock may be restricted by the SEC's "Penny Stock" regulations, which may limit a stockholder's ability to buy and sell our stock.

The U.S. Securities and Exchange Commission has adopted regulations which generally define "penny stock" to be any equity security that has a market price (as defined) less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to certain exceptions. Our securities are covered by the penny stock rules, which impose additional sales practice requirements on broker-dealers who sell to persons other than established customers and "accredited investors." The term "accredited investor" refers generally to institutions with assets in excess of \$5,000,000 or individuals with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 jointly with their spouse. The penny stock rules require a broker-dealer, prior to a transaction in a penny stock not otherwise exempt from the rules, to deliver a standardized risk disclosure document in a form prepared by the SEC, which provides information about penny stocks and the nature and level of risks in the penny stock market. The broker-dealer also must provide the customer with current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction and monthly account statements showing the market value of each penny stock held in the customer's account. The bid and offer quotations, and the broker-dealer and salesperson compensation information, must be given to the customer orally or in writing prior to effecting the transaction and must be given to the customer in writing before or with the customer's confirmation. In addition, the penny stock rules require that prior to a transaction in a penny stock not otherwise exempt from these rules, the broker-dealer must make a special written determination that the penny stock is a suitable investment for the purchaser and receive the purchaser's written agreement to the transaction. These disclosure requirements may have the effect of reducing the level of trading activity in the secondary market for the stock that is subject to these penny stock rules. Consequently, these penny stock rules may affect the ability of broker-dealers to trade our securities. We believe that the penny stock rules discourage investor interest in and limit the marketability of, our common stock.

The Financial Industry Regulatory Authority, or FINRA, has adopted sales practice requirements which may also limit a stockholder's ability to buy and sell our stock.

In addition to the "penny stock" rules described above, FINRA has adopted rules that require that in recommending an investment to a customer, a broker-dealer must have reasonable grounds for believing that the investment is suitable for that customer. Prior to recommending speculative low priced securities to their non-institutional customers, broker-dealers must make reasonable efforts to obtain information about the customer's financial status, tax status, investment objectives and other information. Under interpretations of these rules, FINRA believes that there is a high probability that speculative low priced securities will not be suitable for at least some customers. FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit our ability to buy and sell our stock and have an adverse effect on the market for our shares.

Trading in our common shares on the OTC is limited and sporadic making it difficult for our shareholders to sell their shares or liquidate their investments.

Our common shares are currently listed for public trading on the OTC under the stock symbol "NMEX". The trading price of our common shares has been subject to wide fluctuations. Trading prices of our common shares may fluctuate in response to a number of factors, many of which will be beyond our control. The stock market has generally experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies with no current business operation. There can be no assurance that trading prices and price earnings ratios previously experienced by our common shares will be matched or maintained. These broad market and industry factors may adversely affect the market price of our common shares, regardless of our operating performance.

In the past, following periods of volatility in the market price of a company's securities, securities class-action litigation has often been instituted. Such litigation, if instituted, could result in substantial costs for us and a diversion of management's attention and resources.

We are not likely to pay cash dividends in the foreseeable future.

We intend to retain any future earnings for use in the operation and expansion of our business. We do not expect to pay any cash dividends in the foreseeable future but will review this policy as circumstances dictate. Should we decide in the future to do so, as a holding company, our ability to pay dividends and meet other obligations depends upon the receipt of dividends or other payments from our operating subsidiaries. In addition, our operating subsidiaries, from time to time, may be subject to restrictions on their ability to make distributions to us, including restrictions on the conversion of local currency into U.S. dollars or other hard currency and other regulatory restrictions.

ITEM 2. PROPERTIES

Our principal executive offices are located at 1301 Avenue M, Cisco, Texas, USA 76437. Our mailing address is P.O. Box 31, Cisco, Texas 76437.

As of July 31, 2015, we owned or had lease on the following properties:

Coleman County, Texas – Three well rework/re-completion Project:

The Company acquired a 206.5 acre lease (J.E. Richey) located in the northern part of Coleman County, Texas with four existing wells in September 2014. Three of the four wells were fully equipped with down hole pumps, rods, tubing, pump jacks, well head and surface equipment including tank battery, meter run and gas gathering pipelines.

The lease is located in a multiple pay area originally discovered by ARCO in the early 1980's. This lease area has six known productive formations, which are stated below with their approximate depths:

Ellenburger	4,200'	Jennings	3,600'
Gray	3,850'	Upper Capps	3,450'
Gardner	3,700'	Morris	3,400'

Location and Access

The location of the 60 acre lease (known as the "Isenhower") is approximately 3 miles southeast of the community of Putnam, Texas located on the eastern side of Callahan County which is east approximately 30 miles of the city of Abilene, Texas. Access to the lease is excellent with good access to county roads and lease roads. The terrain is rolling hills with no abnormal location or access problems.

Ownership Interest

On July 7, 2014, our company entered into a Terms of Farm-out Agreement with Grasshoppers Unlimited Inc. to acquire a working interest in an oil and gas lease in the Callahan County Shallow Oil Play, which has 3 fully equipped wells, 1 injection well, production flow lines, injection flow line, Tank battery consisting of two 150 BBL tanks with separator, Injection system has a 150 BBL tank with Injection Pump, 8 un-drilled locations. We agreed to acquire a 75% working interest in the lease including the existing wells and equipment by committing to do the following:

- Bringing the existing three wells back into production (these three wells have been inactive since November 2012)
- Conducting a H-5 pressure test on the injection well
- Agreeing to drill two (2) new wells prior to August 1, 2015
- Agreeing to drill six (6) new wells prior to August 1, 2016
- Paying \$25,000 in cash on or before October 1, 2014
- Issuing to Grasshoppers or its designee(s) 5,000,000 restricted shares of the Company's common stock
- Enter into an Operating Agreement (A.A.P.L. Model Operating Form 610) with J.V. Rhyne, a licensed oil and gas operator in the State of Texas to operate the wells

The total consideration that we must pay to acquire the 75% working interest is estimated at \$275,000, which amount does not include all work requirement and drilling commitments. The common stock is valued at \$0.05 per share based upon our current share price of \$0.10 as at June 30, 2014. The Net Revenue Interest is 70% and consists of approximately 60 acres, more or less, in Callahan County, Texas. This lease has a depth limit to no more than 1,000 feet.

History of Operations

Initial production was discovered to the west of the lease in the Cook/Hope Sandstone (less than 500 feet) during the mid 1950's. Production was first established on the lease in 1957. The most recent well drilled on the lease was in 1996. The lease has four wells completed in the Cook Sandstone. Three of the wells are equipped to produce and one well is equipped for an injection well. In addition to the four wells currently on the lease the initial discovery wells drilled in 1957 were plugged in the late 1980's. The lease has been inactive since November 2012. Recent activity on the adjoining leases has renewed the interest in placing the wells back into production.

The offsetting leases on the north and west sides of the lease have had 25 new wells drilled on it within the past nine months to complement the existing wells on those leases. This activity on the adjoining leases is part of a petroleum engineered re-pressuring water-flood program. The target for the re-pressuring water-flood program is the Cook/Hope sandstone at less than 500 feet which is noted to have excellent porosity and permeability.

The lease is poised in an excellent position to receive benefit from the re-pressuring of the Cook/Hope Sandstone by the operator on the adjoining leases to the north and west sides of the leased acreage. This re-pressuring may significantly improve the production rates on the lease which could have a dramatic effect on the revenues generated from the existing wells and any new wells drilled on the lease. To complement the re-pressuring on program planned on the adjoining leases the Company's lease has its own approved and permitted saltwater injection well that was recently tested and witnessed by a representative of the RRC.

The Cook/Hope Sandstone is the principle producing formation on this acreage being classed in the Callahan County Regular for its field name. The Cook Sandstone is a shallow formation (at approximately 450 feet) with proven production with excellent porosity and permeability. Existing wells provide sufficient well control, which provides evidence that the Cook Sandstone is present on the acreage. Using well spacing allowed by the Texas Railroad Commission for the Cook/Hope Sandstone formation (2.5 acres per location) would yield at least 8 additional drilling locations on the acreage. Initial production from new wells is expected to be between 9 and 11 barrels per day per well.

- Field Name – Callahan County Regular
- Excellent Fluorescence
- Excellent porosity & permeability
- Longevity (more than 30 years)
- Approximate depth ranges from 440 – 480 feet (depending on surface elevation)
- Gravity of the crude is 32 degree

Present Conditions and Plan of Exploration

The lease acquired by the Company is currently not producing and has not produced since November 2012. The Company's plan is to re-work all three of the wells to place them back into production and drill new wells during the 2015/16 fiscal year. The wells to be re-worked are the Isenhower #1, #1B & #2B and the saltwater injection well Isenhower #9. The Company is currently in discussions to amend the terms of the lease.

Callahan/Eastland Mississippi Reef Play

On July 7, 2014, under the same Terms of Farm-out Agreement with Grasshoppers Unlimited Inc., we acquired a working interest in a second oil and gas lease known as the Callahan/Eastland Mississippi Reef Play, which is located near the Callahan and Eastland County line in Central Texas. We agreed to acquire 60% of the working interest in this lease by conducting the following:

- Preparing an independent geological report on the lease.
- Agreeing to drill one (1) new well prior to August 1, 2015
- Paying \$15,000 in cash on or before October 1, 2014
- Issuing 1,000,000 restricted shares of the Company's common stock to Grasshoppers or its designees.

The total consideration that we must pay to acquire the 60% working interest is approximately \$65,000, which amount does not include the cost of drilling and completing a well on the acreage. The common stock is valued at \$0.05 based upon our current share price of \$0.10 as at June 30, 2014. The Net Revenue Interest is 75% and consists of approximately 220 acres, more or less, in Callahan County, Texas. This lease has no depth limit requirement. The Company is currently in discussions to amend the terms of the lease.

Index of Oil & Gas Abbreviations

INDEX

ABBREVIATION	DEFINITION
BBL	Barrel of oil, 42 US standard gallons
MCF	Thousand Cubic Feet of natural Gas
MMCF	Million Cubic Feet of natural gas
RRC	Railroad Commission of Texas, regulatory authority for governing the operations of oil and gas activities

Winnemucca Mountain Property

On September 14, 2012, our company entered into an option agreement (as amended and restated on November 15, 2012, February 1, 2013, August 26, 2013 and July 30, 2014) with AHL Holdings Ltd., a Nevada corporation, and Golden Sands Exploration Inc., a company incorporated under the laws of British Columbia, Canada, wherein the company acquired an option to purchase a revised 80%, in and to certain mining claims from AHL Holdings and Golden Sands, which claims form the Winnemucca Mountain Properties in Humboldt County, Nevada. The Winnemucca Mountain Property is currently comprised of 208 unpatented mining claims covering an area of approximately 3,800 acres. As consideration our company is required to make cash and share payments and complete work expenditures.

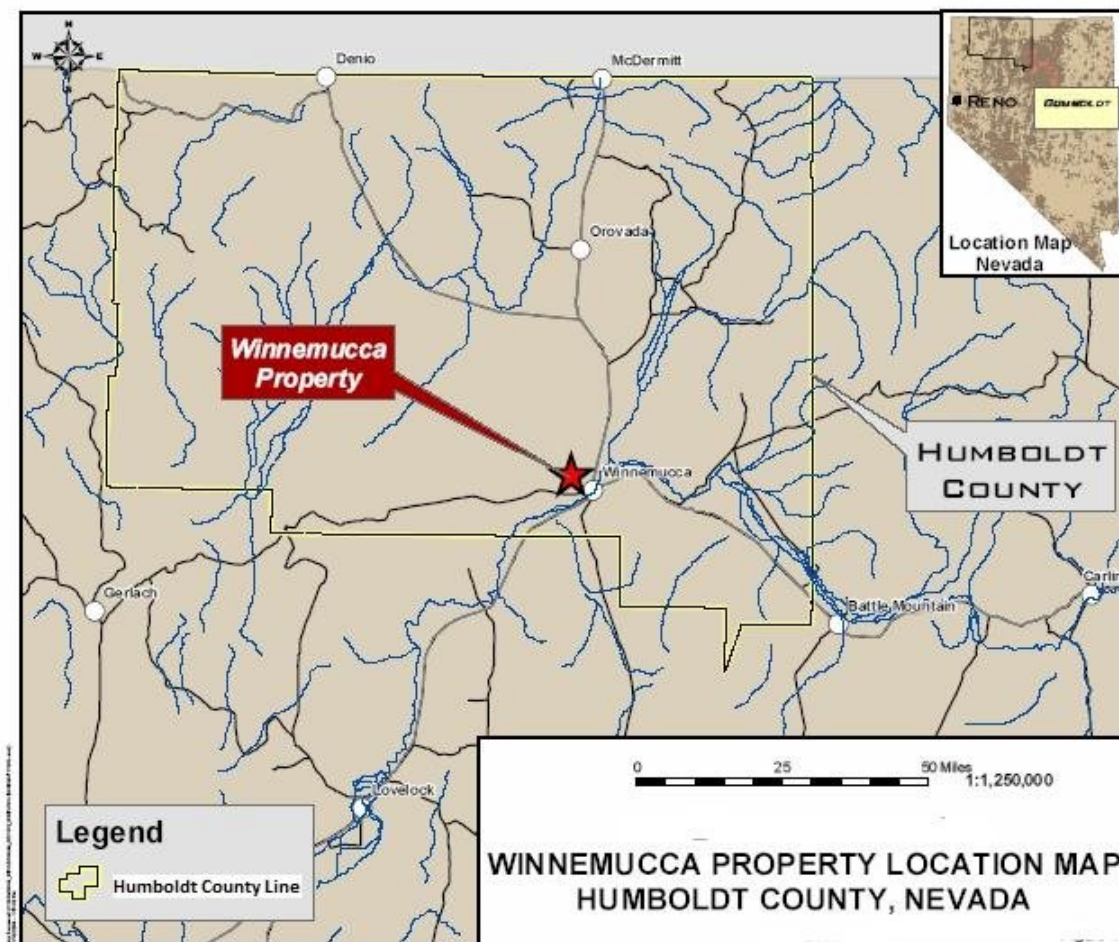
If the option is exercised, the amended and restated option agreement provides that AHL Holdings and Golden Sands will enter into a joint venture agreement with our company. Our company will solely be responsible for financing the joint venture and will act as sole operator in consideration of a fee.

AHL Holdings and Golden Sands will also retain a 3% net smelter royalty in the event that we initiate mineral production on the Winnemucca Mountain Property. If we are unable to fulfill any of the terms of the option agreement (as amended and restated), the option agreement will terminate and all property rights will **revert back to AHL Holdings and Golden Sands** .

Location and Access

The Winnemucca Mountain Property is located in north-western Nevada, approximately 4 miles northwest of the municipality of Winnemucca. The property is within the Winnemucca Mountain Mining District of Humboldt County. The claims are situated on the west flank of Winnemucca Mountain. A map showing the location of and access to the Winnemucca Mountain Property is attached below

The Winnemucca Mountain Property is accessible from State Route 49, a graded gravel road from Winnemucca to Jungo. The claims that comprise the Winnemucca Mountain Property lie in an irregular, northerly trending block along the western flanks of Winnemucca Mountain. The mountain slopes are generally moderate along the west side of the claims, steepening on the east and in drainages. Pediment and alluvium cover is extensive, particularly in the western, or lower, part of the property where a classic bajada is developed. Within the claims, elevations range from approximately 4,700 feet in the southwest corner to nearly 6,600 feet in the east. The area is devoid of trees, and vegetation consists of sagebrush and sparse grass. The climate in southern Humboldt County is arid with annual rainfall averaging 8 inches and snowfall of 16 inches. The area is characterized by hot summers and short, cold winters.



Ownership Interest

On September 14, 2012, our company entered into an option agreement (as amended and restated on November 15, 2012, February 1, 2013 and August 26, 2013) with AHL Holdings Ltd., a Nevada corporation, and Golden Sands Exploration Inc., a company incorporated under the laws of British Columbia, Canada, wherein we acquired an option to purchase a revised 80% interest in and to certain mining claims from AHL Holdings and Golden Sands, which claims form the Winnemucca Mountain Property in Humboldt County, Nevada. This Winnemucca Mountain property is currently comprised of 208 unpatented mining claims covering an area of approximately 3,800 acres. As consideration to earn an 80% interest, the company is required to make cash and share payments and complete work expenditures.

If the option is exercised, the amended and restated option agreement provides that AHL Holdings and Golden Sands will enter into a joint venture agreement. Our company will solely be responsible for financing the joint venture and will act as sole operator in consideration of a fee.

AHL Holdings and Golden Sands will also retain a 3% net smelter royalty in the event that we begin mineral production on the Winnemucca Mountain Property. If we are unable to fulfill any of the commitments set out above, the option agreement will terminate and all property rights will revert back to AHL Holdings and Golden Sands.

The aggregate cash fee payable to exercise the option has been increased from \$1,715,000 to \$1,755,000 and the total number of common shares issuable to exercise the option has been increased from 100,000 to 2,100,000. Lastly, the amended and restated agreement provides that AHL Holdings may elect to receive shares of our common stock in lieu of any cash payments payable pursuant to the agreement at a 75% discount to the then current closing market price.

Effective July 30, 2014, we entered into amended and restated option agreement with AHL Holdings and Golden Sands that materially modifies and replaces the terms of the original option agreement (as amended last on August 26, 2013). Pursuant to this amended and restated agreement, our remaining outstanding obligations are as follows:

1. To pay Golden Sands:
 - a. \$20,000 by January 31, 2015 (extended from January 31, 2014);
 - b. \$50,000 by December 31, 2015 (extended from December 31, 2014);
 - c. \$150,000 by December 31, 2016 (extended from December 31, 2015);
 - d. \$400,000 by December 31, 2017 (extended from December 31, 2016); and
 - e. \$1,000,000 by December 31, 2018 (extended from December 31, 2017);
2. Issue and deliver shares to Golden Sands as follows:
 - a. 1,250,000 common shares of our company on August 26, 2014;
 - b. 500,000 shares by August 31, 2015 (extended from September 30, 2013);
 - c. 500,000 shares by December 31, 2015 (extended from December 31, 2014); and
 - d. 500,000 shares by December 31, 2016 (extended from December 31, 2015);
3. Incur exploration expenses as follows:
 - a. incur exploration expense of at least \$250,000 by December 31, 2015 (increased and extended from \$150,000 by July 1, 2014, respectively). As of August 26, 2014, there has been exploration expenses totaling \$20,000;
 - b. incur cumulative exploration expense of at least \$1,000,000 by December 31, 2016 (increased and extended from \$250,000 by December 31, 2014, respectively);
 - c. incur cumulative exploration expense of at least \$2,000,000 by December 31, 2017 (extended from December 31, 2016); and
 - d. incur cumulative exploration expense of at least \$4,000,000 by December 31, 2018 (extended from December 31, 2017);
4. Further, we are to:
 - a. prepare a feasibility report pertaining to the property, authored by a qualified person, reasonably acceptable to AHL Holdings and Golden Sands by December 31, 2019 (extended from December 31, 2018);
 - b. deliver to AHL Holdings and Golden Sands a notice of exercise of option and compliance certificate by December 31, 2019 (extended from December 31, 2018);
 - c. deliver to AHL Holdings and Golden Sands technical reports by April 30, 2016 for the period ended December 31, 2015 (extended from September 15, 2014 and for the period July 1, 2014); and
 - d. make the following payments to the AHL Holdings:
 - i. \$20,000 by April 1, 2013 (paid);
 - ii. \$10,000 by April 1, 2015 (extended from April 1, 2014);
 - iii. \$20,000 by April 1, 2016 (extended from April 1, 2015);
 - iv. \$20,000 by April 1, 2017 (extended from April 1, 2016); and
 - v. \$50,000 by each successive April 1 until production commences from the property.

As of July 31, 2015 we have paid \$142,500 in option payments, issued 1,350,000 common shares, paid an advance royalty payment of \$20,000, and advanced \$21,028 for exploration expenditures as required by the amended and restated agreement. The Company is currently in discussions to obtain an extension on the terms of the amended and restated option agreement dated July 30, 2014.

History of Operations

The discovery of the Comstock Lode in western Nevada in 1859 spurred mineral exploration throughout Nevada. Gold and silver were first discovered in the Winnemucca Mining District in 1863 and, during the 1860's, several smelters were constructed along the Humboldt River. The early productive lodes consisted of quartz veins containing small amounts of variably oxidized copper and lead.

The first significant gold discovery in Humboldt County was the Getchell gold deposit in 1933. The Getchell Mine began production in 1938 and has operated intermittently since. The current owners are Barrick and Newmont. The mine was reopened in 2002 with a resource of 7 million ounces of gold. Since discovery of the Getchell Deposit, Humboldt County has been the site of numerous other significant gold discoveries. Major gold deposits in the area include the Lone Tree, Marigold, Preble, Pinson, Turquoise Ridge, and Twin Creeks, all located east and northeast of Winnemucca, and the Hycroft (Crowfoot-Lewis), Sandman, Rosebud, and Sleeper deposits to the northwest.

On Winnemucca Mountain itself, the Adamson mine, located in the northeast portion of section 11, reported gold production from "rich ore" in 1911-1912 totaling \$13,711 (approximately 20 kg of gold equivalent; Willden, 1964). The Pride of the Mountain mine, which reported gold and silver production during 1915, is situated just east of the Golden West claims in the northwestern portion of section 23. Both mines exploited gold-bearing quartz veins cutting metasedimentary rocks. Topographic maps indicate six 'prospects' and one old 'mine' within the boundaries of the Golden West 8 and 10 claims. These may be mercury workings referred to by Schnell & Hodges.

The upper slopes of Winnemucca Mountain contain dozens of prospects and several old mines. One of these, the Shively Mine on the north side of Winnemucca Mountain, exploited a west-northwest striking, moderate to steeply dipping quartz-calcite vein. In 1982, St. Joe conducted a drilling program directed at this structure. Results of their drilling included 90 feet of 0.34 g/t Au in DH1 and 30 feet of 0.69 g/t Au in DH2.

The earliest available record of exploration within the present Winnemucca Mountain property claim area is an undated map by St. Joe American Corporation that describes rock sampling over much of the claim block and soil sampling across the Golden West 6 to 13 claim area. This work was most likely done in conjunction with work in the Shively Mine area during 1982. The same map indicates that Cordilleran Exploration (Cordex) drilled seven drill holes, also on the Golden West 6 to 13 claims. However, an undated compilation map by Santa Fe places these Cordex drill holes (holes WV1 – 7, WV11 and WV16 – 18) over 4,900 feet to the east of the Golden West claims. The true location of these holes is therefore uncertain and should not be relied upon. Metzler reports that the Cordex holes were drilled in 1972; in addition, 700 feet of trenching was completed and over 3,300 feet of existing underground workings were mapped and sampled and the construction of drill access roads were completed. A map dated October 1982 indicates that induced polarization, magnetic, and VLF electromagnetic surveys were performed on the property. Details of work done by St. Joe and Cordex are not available.

The next record of exploration is by Arctic Precious Metals Inc. in 1985. Work over the next few years included rock sampling by Arctic and Tenneco Minerals in 1986, with geological mapping by Arctic in 1986 in the northern claim area. During 1987, Arctic drilled 1,916 feet in 5 reverse circulation drill holes. Results were encouraging with hole WM 5 intersecting a 5 feet interval of 1,050 ppb gold. The next year, Arctic conducted detailed rock sampling and VLF-EM and magnetic surveys over a breccia pipe target area, followed by 7 diamond drill holes for a total of 2,100 feet. Drill hole WM 7 intersected up to 1,950 ppb gold over 5 feet and WM 13 cut two large intervals (145 feet and 181 feet) of elevated gold in a breccia (164 ppb and 147 ppb respectively; SFPM data).

In late 1988, Santa Fe Pacific Mining, Inc. (now Newmont) entered into a joint venture with Arctic after recognizing the significance of anomalous gold in the breccia pipe identified by the Arctic drilling. Santa Fe became operator and, between 1988 and 1990, conducted geological mapping, rock sampling, trenching, CSAMT and induced polarization geophysical surveys, collected 286 auger hole bedrock samples, and completed a total of 52,470.8 feet in 73 reverse circulation drill holes. Three of these drill holes were re-entered with a diamond drill. The total diamond drill footage is uncertain but is in excess of 477 feet. Not all of Santa Fe's drilling was within the boundaries of the current claim block. Santa Fe's work outlined the Swordfish occurrence that extends approximately 2,200 feet along the western flank of Winnemucca Mountain within the current claim block.

In 1994, Anvil Resources of Vancouver, B.C., acquired the property and became the project operator. Anvil did a great deal of internal compilation work, prepared a topographic base map and collected surface samples to confirm previous gold tenors. They performed test assaying to determine optimum analytical procedures for coarse gold samples and milling tests on bulk samples to maximize gold liberation. An induced polarization (IP) survey conducted in 1996 confirmed that resistivity highs correlated well with known mineralized areas and delineated two new target zones.

In 2006-2007 Meridian Minerals Corp. acquired an option on the property from Evolving Gold Corp. Meridian conducted two separate drilling programs on the property. Twelve angled holes were drilled, totaling 7473 feet. In 2007 four additional angled holes were subsequently drilled totaling 2,659 feet. This drilling, targeted northwest and northeast striking veins to the northeast of the Swordfish Zone, and a further 3 holes targeted a vein system in the very north of the Property. This drilling intersected lower grade mineralization than the moderate to high grade intercepts in the Swordfish Zone.

Santa Fe Pacific Gold Corp. utilized a computer program called Geostat to calculate a cross-sectional resource estimate for the Swordfish zone area. Santa Fe estimated that the Swordfish zone contained 4.15 million metric tons grading 0.82 g/t gold (4.58 million short tons grading 0.028 opt gold) at a 0.29 g/t cutoff (0.01 opt cutoff). All resource calculations were based on arithmetic averages. This estimated resource occurs in an area 2,200 feet long and 700 feet deep.

In March 2013 the Company contracted consultants to study the mineralization and known resources on the Winnemucca Mountain Property. Company consultants completed mapping and geochemical sampling of the 3000 feet long Swordfish zone on the Property. Using this surface work along with historical drill results, 3D modeling of the gold/silver mineralization was completed. Based on the results of the initial work, Company consultants have recommended further exploration on the property including geophysics, core and reverse circulation (RC) drilling.

Geology

Regional Geology – Nevada lies within the Basin and Range geological province. The geologic structure of this province is the result of repeated interactions between the North American Plate and oceanic plates to the west which are expressed as folds, thrust faults, strike slip faults, normal faults, igneous intrusions, volcanism, metamorphism and sedimentary basins. Every mountain range in the Basin and Range province is bounded on at least one side by a normal fault, many of which are still active. The area's highly complex and active tectonic history has created a diversity of depositional environments, deep-seated structures, hydrothermal centers and numerous mineral deposits.

Humboldt County is underlain by rocks ranging in age from probable early Cambrian to late Miocene or early Pliocene. In general, the oldest rocks are in the southeastern portion of the county with younger rocks to the north and west, however, late Tertiary volcanic and sedimentary rocks are randomly distributed throughout the county. Five orogenic episodes have been recognized but structural and lithologic elements are not continuous between mountain ranges. The most important of the orogenic episodes in Nevada is the Antler Orogeny, the late Devonian collision of an arc terrane complex with the western margin of North America. The arc material (allochthon) was thrust over cratonic carbonates along the Roberts Mountain thrust fault. Mountain building accompanied the Antler Orogeny, resulting in a high mountain range to the west. In addition to the folding and low-angle faulting associated with orogenic compression and mountain building, high-angle reverse and strike-slip faulting were widespread, forming important wrench fault systems. These high-angle faults were crucial in localizing the fluid flow responsible for gold deposition.

Mineral deposits have been found in all rock units exposed in the county. At least three periods of epigenetic ore mineral deposition have been recognized. The oldest are the iron deposits (Cretaceous or older?) in the Jackson Mountains. Contact metamorphic tungsten and vein deposits belong to the second period, developed in conjunction with the emplacement of Cretaceous and Tertiary intrusive rocks. The third, late Tertiary (?), depositional episode includes mercury, uranium and gold-silver deposits, including the Getchell and Sleeper gold deposits. Most Tertiary mineral deposits in northern Nevada are distributed linearly as a result of deep crustal controls including the Carlin and Battle Mountain trends.

Current gold producers in Humboldt County include the Getchell, Hycroft, Marigold, Lone Tree, and Twin Creeks mines.

Property Geology - The general geology of Winnemucca Mountain is shown on two publicly available maps. The oldest unit exposed on Winnemucca Mountain is the Upper Triassic Winnemucca Formation that underlies the upper elevations. These rocks are gray to brown calcareous shale; buff and gray, thin-bedded to massive carbonate rocks, buff to light brownish-gray calcareous sandstone, gray and brown shale and slate and some light brown feldspathic quartzite.

A younger, unnamed quartzite-mudstone formation is faulted against the Winnemucca Formation on the northwest side of Winnemucca Mountain by a normal fault of uncertain displacement. This unit consists of light brown or buff, thin to thick bedded, fine-grained, feldspathic quartzite which usually weathers dark brown; buff to light brown, medium bedded mudstone; and small amounts of light brown phyllitic shale.

The sedimentary rocks are cut by several small intrusive bodies. The largest is a Jurassic (?) - Cretaceous stock which intrudes Winnemucca Formation rocks on the southern side of Winnemucca Mountain, measuring approximately 6,600 by 9,075 feet. The intrusive contains no quartz but, in general, contains more plagioclase than mafic minerals so is compositionally a diorite. A small body of Tertiary volcanic rocks has been identified on the west side of Winnemucca Mountain.

Tertiary basalt and andesite unconformably overlie the older units on the north side of the mountain. These also include more silicic volcanic and sedimentary rocks.

An east-northeast trending breccia body measuring 1,320 by 5,000 feet in Triassic sedimentary rocks was mapped on the west side of Winnemucca Mountain. The diatreme, containing gold mineralization now known as the Swordfish zone, is described by Metzler (1994) as an ellipsoid plug of brecciated, silicic dacite and rhyolite with sharp contacts. The breccia contains angular clasts of the older siltstone and granodiorite and is considered to be a Tertiary diatreme.

Three directions of major faulting are apparent, each of which appear confined to a particular area of Winnemucca Mountain. In the northern portion of the mountain are three parallel northeast trending faults, situated approximately 2,800 feet apart. Movement on these faults is primarily dip-slip although some minor strike-slip movement was also noted. On the southern flank of the mountain are two parallel north-northeast trending faults 5,000 feet apart. Northerly and northeasterly oriented faults dominate the central part of Winnemucca Mountain. Santa Fe geologists believed that the topography of Winnemucca Mountain was in part controlled by extensional range-front faults and the dominant structural trend, especially with respect to mineralizing events, is northeast.

Present Conditions and Plan of Exploration

Though there is a significant amount of historical exploration on the Winnemucca Mountain Property, none of the previous owners have established any substantial operations on the property. Further, the data set from past exploration is not complete. In March 2013 the Company contracted consultants to study the mineralization and known resources on the Winnemucca Mountain Property. Company consultants completed mapping and geochemical sampling of the 3,000 feet long Swordfish zone on the Property. Using this surface work along with available historical drill results data, 3D modeling of the gold/silver mineralization was completed. Based on the results of the initial work, Company consultants have recommended further exploration on the property including geophysics, core and reverse circulation (RC) drilling. Subject to available funds the Company plans further exploration of the property as recommended by the company consultants.

TERM	DEFINITION
Aplite	a light-colored fine-grained igneous rock
Basalt	basalt is a dark gray to black, dense to finely grained igneous rock that is the result of lava eruptions. Basalt flows are noneruptive, voluminous, and characterized by relatively low viscosity.
Breccias	a coarse-grained sedimentary rock made of sharp fragments of rock and stone cemented together by finer material. Breccia is produced by volcanic activity or erosion, including frost shattering.
Biotite	a black, dark brown, or green silicate mineral of the mica group.
Equigranular	a material composed chiefly of crystals of similar orders of magnitude to one another.
Hornfels	(a) a fine-grained metamorphic rock composed of silicate minerals and formed through the action of heat and pressure on shale.
Igneous	(b) describes rock formed under conditions of intense heat or produced by the solidification of volcanic magma on or below the Earth's surface.
Lithologic	(c) the gross physical character of a rock or rock formation
Monzonite	a visibly crystalline, granular igneous rock composed chiefly of equal amounts of two feldspar minerals, plagioclase and orthoclase, and small amounts of a variety of colored minerals.
Plutonic	a mass of intrusive igneous rock that has solidified underground by the crystallization of magma.
Quartz	a common, hard, usually colorless, transparent crystalline mineral with colored varieties. Use: electronics, gems.
Silica	silicon dioxide found naturally in various crystalline and amorphous forms, e.g. quartz, opal, sand, flint, and agate. Use: manufacture of glass, abrasives, concrete.

ITEM 3. LEGAL PROCEEDINGS

We know of no material, existing or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceeding or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any registered or beneficial shareholder, is an adverse party or has a material interest adverse to our company.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

MARKET INFORMATION

Our shares are quoted on the Over-the-Counter ("OTC") under the symbol "NMEX". The OTC is a regulated quotation service that displays real-time quotes, last sale prices and volume information in over-the counter securities. To be eligible for quotations on the OTC issuers must remain current in their filings with the SEC or applicable regulatory authority. Securities quoted on the OTC that become delinquent in their required filings will be removed following a grace period, if they do not make their required filing in that time. We cannot guarantee that we will continue to have the funds required to remain in compliance with our reporting obligations. There has been no active trading of our securities and therefore no high and low bid pricing.

The following table sets forth, for the quarterly periods indicated, the range of high and low bid prices of our common stock as reported on the OTC since our stock became actively traded. These quotations reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not necessarily represent actual transactions.

For the Fiscal Year Ended July 31, 2015

	High	Low
Quarter ended July 31, 2015	\$ 0.12	\$ 0.04
Quarter ended April 30, 2015	\$ 0.085	\$ 0.052
Quarter ended January 31, 2015	\$ 0.12	\$ 0.06
Quarter ended October 31, 2014	\$ 0.19	\$ 0.115

For the Fiscal Year Ended July 31, 2014

Quarter ended July 31, 2014	\$ 0.285	\$ 0.07
Quarter ended April 30, 2014	\$ 0.18	\$ 0.04
Quarter ended January 31, 2014	\$ 0.12	\$ 0.05
Quarter ended October 31, 2013	\$ 0.15	\$ 0.05

DIVIDENDS

There are no restrictions in our articles of incorporation or bylaws that prevent us from declaring dividends. The Nevada Revised Statutes, however, do prohibit us from declaring dividends where, after giving effect to the distribution of the dividend:

1. We would not be able to pay our debts as they become due in the usual course of business; or
2. Our total assets would be less than the sum of our total liabilities plus the amount that would be needed to satisfy the rights of shareholders who have preferential rights superior to those receiving the distribution.

On July 15, 2009, we effected a forward split of our common stock, by way of a dividend pursuant to which each shareholder of record on June 29, 2009 received ten shares of our post-split common stock in exchange for each share of pre-split common stock.

On August 13, 2013, we effected a reverse split of our common stock on a 10 old for 1 new basis, such that our issued and outstanding shares of common stock decreased from 50,444,842 share of common stock (at July 12, 2013) to 5,044,484 shares of common stock with a par value of \$0.001.

Any decisions regarding dividends will be made by our board of directors. We currently intend to retain and use any future earnings for the development and expansion of our business and do not anticipate paying any cash dividends in the foreseeable future. Our board of directors has complete discretion on whether to pay dividends, subject to the approval of our stockholders. Even if our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

HOLDERS

As of November 13, 2015, there were approximately 38 shareholders of record of our common stock. This number does not include shares held by brokerage clearing houses depositories or others in unregistered form.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

As of November 13, 2015, we do not have in effect any compensation plans under which our equity securities are authorized for issuance and we do not have any outstanding stock options.

UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Effective July 30, 2014, we issued 1,250,000 shares of our common stock to Golden Sands in reliance on the exemption provided in Rule 506 of Regulation D of the Securities Act of 1933, as amended, on the basis that Golden Sands represented to our company that it is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D.

Private Placement of Units

Effective July 31, 2014 we issued 900,000 units at a price of \$0.05 per unit (\$45,000 in the aggregate) to 5 investors. Each unit consists of 1 share of our common stock and one half share purchase warrant with each full warrant exercisable for a period of 12 months to purchase one common share at the price of \$0.15. We issued 200,000 units to 2 non-US persons in an offshore transaction relying on Regulation S and/or Section 4(2) of the Securities Act of 1933, as amended, and 700,000 units to 3 U.S. persons in reliance on the exemption from registration provided for under Rule 506 of Regulation D, promulgated under the United States Securities Act of 1933, as amended.

Effective July 31, 2014 we issued 250,000 units of our common stock at a price of \$0.08 per unit (\$20,000 in the aggregate) to one non-US person in an offshore transaction relying on Regulation S and/or Section 4(2) of the Securities Act of 1933, as amended. Each unit consists of 1 share of our common stock and one half share purchase warrant with each full warrant exercisable for a period of 12 months to purchase one common share at the price of \$0.15.

Effective October 28, 2014 we issued 900,000 units of our common stock at a price of \$0.05 per unit (\$45,000 in the aggregate) to 3 investors. Each unit consists of 1 share of our common stock and one half share purchase warrant with each full warrant exercisable for a period of 12 months to purchase one common share at the price of \$0.15. We issued 400,000 of these units to 3 non-US persons in an offshore transaction relying on Regulation S and/or Section 4(2) of the Securities Act of 1933, as amended, and 500,000 units to 1 U.S. person in reliance on the exemption from registration provided for under Rule 506 of Regulation D, promulgated under the United States Securities Act of 1933, as amended.

Effective October 20, 2014 we issued 2,000,000 units of common stock at a price of \$0.001 per unit as part of the compensatory terms of the Terms of Farm-out Agreement to acquire a working interest in an oil and gas lease.

Other than as disclosed above, we did not sell any equity securities which were not registered under the Securities Act during the year ended July 31, 2015 that were not otherwise disclosed on our quarterly reports on Form 10-Q or our current reports on Form 8-K filed during the year ended July 31, 2015.

ISSUER REPURCHASES OF EQUITY SECURITIES

On November 1, 2014 we cancelled 100,000 units of common stock issued at \$0.05 per unit.

STOCK OPTION GRANTS

To date, we have not granted any stock options.

REPORTS TO SECURITY HOLDERS

We intend to furnish our shareholders with annual reports containing financial statements audited by our independent auditors and to make available quarterly reports containing unaudited financial statements for each of the first three quarters of each year.

The public may read and copy any materials that we file with the SEC at the SEC's Public Reference Room at 100 F Street, NE, Washington, D.C. 20549. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that site is www.sec.gov.

ITEM 6. SELECTED FINANCIAL DATA

As a "smaller reporting company", we are not required to provide the information required by this Item.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Introduction

The following discussion and analysis compares our results of operations for the year ended July 31, 2015 to the same period in 2014. This discussion and analysis should be read in conjunction with our financial statements and the related notes thereto included elsewhere in this annual report for the year ended July 31, 2015. This annual report contains certain forward-looking statements that reflect our plans, estimates and beliefs, and our actual operation results could differ materially from those discussed in the forward looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this annual report, particularly in the section entitled "Risk Factors" beginning on page 10 of this annual report.

Forward-Looking Statements

This report on Form 10-K contains certain forward-looking statements. All statements other than statements of historical fact are “forward-looking statements” for purposes of these provisions, including any projections of earnings, revenues, or other financial items; any statements of the plans, strategies, and objectives of management for future operation; any statements concerning proposed new products, services, or developments; any statements regarding future economic conditions or performance; statements of belief; and any statement of assumptions underlying any of the foregoing. Such forward-looking statements are subject to inherent risks and uncertainties, and actual results could differ materially from those anticipated by the forward-looking statements.

These forward-looking statements involve significant risks and uncertainties, including, but not limited to, the following: competition, promotional costs and the risk of declining revenues. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of a number of factors. These forward-looking statements are made as of the date of this filing, and we assume no obligation to update such forward-looking statements. The following discusses our financial condition and results of operations based upon our unaudited financial statements which have been prepared in conformity with accounting principles generally accepted in the United States. It should be read in conjunction with our financial statements and the notes thereto included elsewhere herein.

Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements. Except as required by applicable law, including the securities laws of the United States, we do not intend to update any of the forward-looking statements to conform these statements to actual results.

Our financial statements are stated in United States Dollars (US\$) and are prepared in accordance with United States Generally Accepted Accounting Principles.

In this annual report, unless otherwise specified, all dollar amounts are expressed in United States Dollars (US\$) and all references to “common shares” refer to the common shares in our capital stock.

As used in this quarterly report, the terms “we”, “us”, “our” and “our company” mean Northern Minerals & Exploration Ltd. formerly known as Punchline Resources Ltd., unless otherwise indicated.

General Overview

We were incorporated on December 11, 2006 under the laws of the State of Nevada.

We were originally a company involved in the placing of strength testing amusement gaming machines called Boxers in venues such as bars, pubs and nightclubs in the Seattle area, in the State of Washington. We acquired one Boxer that had been placed in Lynwood, Washington. However, the machine was de-commissioned as it needed material repairs. We were not able to secure sufficient capital for these repairs and our management decided to change our business focus to mineral exploration.

Results of Operations

The following summary of our results of operations should be read in conjunction with our financial statements for the year ended July 31, 2015, which are included herein.

Our operating results for the years ended July 31, 2015 and 2014 are summarized as follows:

	Year Ended July 31,	
	2015	2014
Revenue	\$ Nil	\$ Nil
Mineral property expenditures	\$ (123,901)	\$ (5,000)
General and administrative	\$ (183,027)	\$ (91,292)
Gain (Loss) from discontinued operations	\$ Nil	\$ Nil
Net Income (Loss)	\$ (306,928)	\$ (96,292)

For the year ended July 31, 2015, we had a net loss of \$306,928 as compared to the net loss of \$96,292 for the year ended July 31, 2014. Our net loss was much higher in the current year ended July 31, 2015 primarily due to increased operations in our mineral property business. Our accumulated deficit to July 31, 2015 was \$817,335.

Revenue

We have not earned any revenues since our inception and we do not anticipate earning revenues in the upcoming quarter.

Liquidity and Financial Condition

Working Capital

	At July 31, 2015	At July 31, 2014
	Current Assets	\$ 35,400
Current Liabilities	\$ 515,292	\$ 515,292
Working Capital (Deficit)	\$ (479,892)	\$ (479,892)

Our total current assets as of July 31, 2015 were \$4,720 as compared to total current assets of \$35,400 as of July 31, 2014. The decrease was primarily due to payments of accounts payable against our increased operations. Our total current liabilities as of July 31, 2015 were \$466,790 as compared to total current liabilities of \$515,292 as of July 31, 2014. The decrease in current liabilities was attributed to pay down of accounts payable.

Cash Flows

	Year Ended July 31,	
	2015	2014
Net Cash Used by Operating Activities	\$ (359,980)	\$ (25,876)
Net Cash From/(Used by) Investing Activities	\$ 64,750	\$ (368,750)
Net Cash Provided by Financing Activities	\$ 262,000	\$ 430,301
(Decrease)/Increase in Cash During the Year	\$ (33,230)	\$ 35,675

Operating Activities

Cash used by operating activities went from \$25,876 for the year ended July 31, 2014 to cash used of \$359,980 for the year ended July 31, 2015 due to increased mining operations in the current year.

Investing Activities

Cash from investing activities increased from cash used of \$368,750 for the year ended July 31, 2014 to cash from investing activities of \$64,750 for the year ended July 31, 2015 due to the entry of a commitment to purchase working interest in certain oil and gas leases and properties in the prior year.

Financing Activities

Cash provided by financing activities was \$430,301 for the year ended July 31, 2014 and \$262,000 for the year ended July 31, 2015 due to proceeds of convertible debt in the prior year.

We will require additional funds to fund our budgeted expenses over the next twelve months. These funds may be raised through equity financing, debt financing, or other sources, which may result in further dilution in the equity ownership of our shares. There is still no assurance that we will be able to maintain operations at a level sufficient for an investor to obtain a return on his investment in our common stock. Further, we may continue to be unprofitable. We need to raise additional funds in the immediate future in order to proceed with our budgeted expenses.

Off-Balance Sheet Arrangements

We have no 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

The discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with the accounting principles generally accepted in the United States of America. Preparing financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, and expenses. These estimates and assumptions are affected by management's application of accounting policies. We believe that understanding the basis and nature of the estimates and assumptions involved with the following aspects of our financial statements is critical to an understanding of our financial statements.

Basis of Presentation

The accounting and reporting policies of our company conform to U.S. generally accepted accounting principles (US GAAP) applicable to development stage companies.

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, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents include cash in banks, money market funds, and certificates of term deposits with maturities of less than three months from inception, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of loss in value. As at July 31, 2015, we had cash and cash equivalents of \$2,170 (July 31, 2014 - \$35,400).

Financial Instruments and Risk Concentrations

Our company's financial instruments comprise cash and cash equivalents, loan receivable, accounts payable and accrued liabilities, notes payable and convertible loan. Unless otherwise indicated, the fair value of financial assets and financial liabilities approximate their recorded values due to their short terms to maturity. Our company determines the fair value of our long-term financial instruments based on quoted market values or discounted cash flow analyses.

Financial instruments that may potentially subject our company to concentrations of credit risk comprise primarily cash and cash equivalents and accounts receivable. Cash and cash equivalents comprise deposits with major commercial banks and/or checking account balances. With respect to accounts receivable, our company performs periodic credit evaluations of the financial condition of our customers and typically does not require collateral from them. Allowances are maintained for potential credit losses consistent with the credit risk of specific customers and other information. Unless otherwise noted, it is management's opinion that our company is not exposed to significant interest or currency risks in respect of our financial instruments.

Foreign Currency Translation

Our financial statements are presented in US dollars. In accordance with Statement of Financial Accounting Standards Our company maintains our accounting records in US dollars, which is the functional, and reporting currency. Foreign exchange gain amounted to \$5,110 for the year ended July 31, 2015 (July 31, 2014 – gain of \$148).

Income Taxes

Our company accounts for our income taxes in accordance with ASC 740, "Income Taxes", which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that the deferred tax assets will not be realized.

Basic and Diluted Loss Per Share

Our company reports earnings (loss) per share in accordance with ASC 260, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common stockholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive.

Our company has no potential dilutive instruments and accordingly, basic loss and diluted share loss per share are equal.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Smaller reporting companies are not required to provide the information required by this Item.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

FINANCIAL STATEMENTS

JULY 31, 2015 AND 2014

**FORMING A PART OF ANNUAL REPORT
PURSUANT TO THE SECURITIES EXCHANGE ACT OF 1934**

NORTHERN MINERALS & EXPLORATION LTD.

	<u>Page #</u>
Report of Independent Registered Public Accounting Firm	F -2
Balance Sheets as of July 31, 2015 and July 31, 2014	F-3
Statements of Operations and Comprehensive Loss for the Years ended July 31, 2015 and 2014	F-4
Statements of Changes in Stockholders' Deficiency for the Years ended July 31, 2015 and 2014	F -5
Statements of Cash Flows for the Years ended July 31, 2015 and 2014	F-7
Notes to Financial Statements	F-8 - F-15

GEORGE STEWART, CPA
316 17TH AVENUE SOUTH
SEATTLE, WASHINGTON 98144
(206) 328-8554 FAX(206) 328-0383

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
Northern Minerals and Exploration LTD.

I have audited the accompanying balance sheets of Northern Minerals and Exploration LTD. (An Exploration Stage Company) as of July 31, 2015 and 2014, and the related statements of operations, stockholders' equity and cash flows for the years ended July 31, 2015 and 2014. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Northern Minerals and Exploration LTD., (An Exploration Stage Company) as of July 31, 2015 and 2014, and the results of its operations and cash flows for the years ended July 31, 2015 and 2014 in conformity with generally accepted accounting principles in the United States of America.

The accompanying financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note # 1 to the financial statements, the Company has had no operations and has no established source of revenue. This raises substantial doubt about its ability to continue as a going concern. Management's plan in regard to these matters is also described in Note # 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/S/ George Stewart

Seattle, Washington
November 16, 2015

NORTHERN MINERALS & EXPLORATION LTD.
CONSOLIDATED BALANCE SHEETS
AS OF JULY 31, 2015 AND JULY 31, 2014

	July 31, 2015 (Audited)	July 31, 2014 (Audited)
ASSETS		
Current Assets		
Cash	\$ 2,170	\$ 35,400
Prepaid expenses	2,500	-
Prepaid expenses	50	-
Total Current Assets	4,720	35,400
Other Assets		
Mineral rights and properties	2,088,460	2,096,260
Advance royalty payments	20,000	20,000
Total Other Assets	2,108,460	2,116,260
TOTAL ASSETS	\$ 2,113,180	\$ 2,151,660
LIABILITIES & STOCKHOLDERS' DEFICIENCY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 30,171	\$ 56,555
Current portion of property option payable	225,000	225,000
Oil & gas lease payable	15,882	40,000
Temporary loan	-	3,000
Loan – third party	50,990	50,990
Advances from officers	24,747	24,747
Other advances	5,000	-
Advance - Coach Capital, LLC	30,000	30,000
Convertible debt	85,000	85,000
Total Current Liabilities	466,790	515,292
Property option payable	1,444,450	1,387,500
Stockholders' Equity		
Common stock, \$0.001 par value, 75,000,000 shares authorized; 16,144,484* shares issued and outstanding at July 31, 2015; 13,344,484* shares issued and outstanding at July 31, 2014	16,145	13,345
Additional paid-in-capital	1,003,130	745,930
Deficit accumulated during the development stage	(817,335)	(510,407)
Total Stockholders' Equity (Deficiency)	201,940	248,868
TOTAL LIABILITIES & STOCKHOLDERS' DEFICIENCY	\$ 2,113,180	\$ 2,151,660

* Reflects the 10:1 reverse stock split effective August 13, 2013 on a retroactive basis

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

**NORTHERN MINERALS & EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED JULY 31, 2015 AND 2014**

	<u>Year Ended July 31, 2015</u>	<u>Year Ended July 31, 2014</u>
Revenue		
Revenue	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>
Expenses		
Mineral property expenditures	123,901	5,000
G & A expenses	183,027	91,292
Total Expenses	<u>306,928</u>	<u>96,292</u>
Loss from continuing operations	(306,928)	(96,292)
Gain (loss) from discontinued operations, net	-	-
Net Loss and Comprehensive Loss	<u>\$ (306,928)</u>	<u>\$ (96,292)</u>
Basic net loss per share from continuing operations	\$ (0.0197)	(0.0177)
Basic net loss per share from discontinued operations	\$ (0.0000)	(0.0000)
Basic net loss per share for the period	\$ (0.0197)	(0.0177)
Weighted average number of common shares outstanding	15,573,251*	5,439,005*

* Reflects the 10:1 reverse stock split effective August 13, 2013 on a retroactive basis

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

NORTHERN MINERALS & EXPLORATION LTD.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIENCY
FROM DECEMBER 11, 2006 (INCEPTION) THROUGH JULY 31, 2015

	<u>Common Stock *</u>	<u>Common Stock Amount</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, December 11, 2006	-	\$ -	\$ -	\$ -	\$ -
Stock issued for cash on February 22, 2007 @ \$0.001 per share	3,000,000	\$ 3,000			\$ 3,000
Stock issued for cash on March 15, 2007 @ \$0.001 per share	1,500,000	\$ 1,500	\$ 13,500		\$ 15,000
Stock issued for cash on May 9, 2007 @ \$0.001 per share	500,000	\$ 500	\$ 9,500		\$ 10,000
Net loss, July 31, 2007				(482)	(482)
Balance, July 31, 2007	5,000,000	\$ 5,000	\$ 23,000	\$ (482)	\$ 27,518
Net loss, July 31, 2008				(32,423)	(32,423)
Balance, July 31, 2008	5,000,000	\$ 5,000	\$ 23,000	\$ (32,905)	\$ (4,905)
Net loss, July 31, 2009				(21,664)	(21,664)
Balance, July 31, 2009	5,000,000	\$ 5,000	\$ 23,000	\$ (54,569)	\$ (26,569)
Net loss, July 31, 2010				(64,124)	(64,124)
Balance, July 31, 2010	5,000,000	\$ 5,000	\$ 23,000	\$ (118,693)	\$ (90,693)
Net loss, July 31, 2011				(113,969)	(113,969)
Balance, July 31, 2011	5,000,000	\$ 5,000	\$ 23,000	\$ (232,662)	\$ (204,662)
Net gain, July 31, 2012				125,339	125,339
Balance, July 31, 2012	5,000,000	\$ 5,000	\$ 23,000	\$ (107,323)	\$ (79,323)
Stock issued for cash on September 12, 2012 @ \$11.90* per share	16,807	\$ 17	\$ 199,983		\$ 200,000
Stock issued for cash on September 27, 2013 @ \$0.001 per share	10,000	\$ 10	-		\$ 10
Stock issued for cash on October 2, 2013 @ \$15.50* per share	9,677	\$ 10	\$ 149,990		\$ 150,000
Stock issued for cash on April 2, 2013 @ \$2.502* per share	8,000	\$ 8	\$ 20,007		\$ 20,015
Net loss, July 31, 2013				(306,792)	\$ (306,792)
Balance, July 31, 2013	5,044,484	\$ 5,045	\$ 392,980	\$ (414,115)	\$ (16,090)
Stock issued for cash on July 7, 2014 @ \$0.05 per share	6,000,000	\$ 6,000	294,000		300,000
Stock issued for cash on July 31, 2014 @ \$0.001 per share	1,250,000	\$ 1,250	-		1,250
Stock issued for cash on July 31, 2014 @ \$0.05 per share	800,000	\$ 800	\$ 39,200		40,000
Stock issued for cash on July 31, 2014 @ \$0.08 per share	250,000	\$ 250	\$ 19,750		20,000
Net loss, July 31, 2014				(96,292)	\$ (96,292)

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

NORTHERN MINERALS & EXPLORATION LTD.
CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' DEFICIENCY
FROM DECEMBER 11, 2006 (INCEPTION) THROUGH JULY 31, 2015 (cont'd)

	<u>Common Stock *</u>	<u>Common Stock Amount</u>	<u>Additional Paid-in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balance, July 31, 2014	13,344,484	\$ 13,345	\$ 745,930	\$ (510,407)	\$ 248,868
Stock issued for cash on October 1, 2014 @ \$0.05 per share	900,000	900	44,100		45,000
Stock issued for cash on October 20, 2014 @ \$0.001 per share	2,000,000	2,000	218,000		220,000
Cancellation on November 1, 2014 @ \$0.05 per share	(100,000)	(100)	(4,900)		(5,000)
Net loss, July 31, 2015				(306,928)	(306,928)
Balance, July 31, 2015	16,144,484	\$ 16,145	\$ 1,003,130	\$ (817,335)	\$ 201,940

* Reflects the 10:1 reverse stock split effective August 13, 2013

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

**NORTHERN MINERALS & EXPLORATION LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JULY 31, 2015 AND 2014**

	Year Ended July 31, 2015	Year Ended July 31, 2014
Cash Flows from (used in) Operating Activities		
Net loss	\$ (306,928)	\$ (96,292)
Loss from continuing operations	(306,928)	(96,292)
Adjustments made to reconcile net loss to net cash from Operating activities		
Funds held in trust	-	5,015
Prepaid expenses	(2,500)	
Receivable on working interest	(50)	
Accounts payables and accrued liabilities	(26,384)	25,401
Oil & gas lease payable	(24,118)	40,000
Net cash used for operating activities	<u>(359,980)</u>	<u>(25,876)</u>
Cash Flows from (used in) Investing Activities		
Purchase of mineral rights and properties	64,750	(368,750)
Net Cash provided by (used in) Investing Activities	<u>64,750</u>	<u>(368,750)</u>
Cash Flows from (used in) Financing Activities		
Sale of common stock	260,000	361,250
Temporary loan	(3,000)	(3,520)
Other advances	5,000	(12,429)
Proceeds from convertible debt	-	85,000
Net cash provided by financing activities	<u>262,000</u>	<u>430,301</u>
Net increase (decrease) in cash and equivalents	(33,230)	35,675
Cash and equivalents at beginning of the period	35,400	(275)
Cash and equivalents at end of the period	<u>\$ 2,170</u>	<u>\$ 35,400</u>
Supplemental cash flow information:		
Non-cash Activities		
Committed advances for mineral rights & properties options	\$ -	\$ 12,500

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

1. ORGANIZATION AND BUSINESS OPERATIONS

Northern Minerals & Exploration Ltd. (the "Company") is an emerging natural resource company operating in oil and gas production in central Texas and exploration for gold and silver in northern Nevada.

The Company was incorporated in Nevada on December 11, 2006 under the name Punchline Entertainment, Inc. On August 22, 2012, the Company's board of directors approved an agreement and plan of merger to effect a name change of the Company from Punchline Entertainment, Inc. to Punchline Resources Ltd. On July 12, 2013, the stockholders approved an amendment to change the name of the Company from Punchline Resources Ltd. to Northern Mineral & Exploration Ltd. FINRA approved the name change on August 13, 2013.

On April 24, 2014, the previous Chief Executive Officer and Director, Ramzan Savji, resigned and Howard Siegel was appointed as the new Company President, Chief Executive Officer, Chief Financial Officer, Treasurer and Director. On March 16, 2015, Ivan Webb was appointed as Vice President and Director.

The Company is working on the following projects:

Coleman County, Texas – Three well rework/recompletion project

On October 14, 2014, the Company entered into an agreement to acquire a 75% working interest in the J.E. Richey lease. This lease area has six known productive formations. The existing three wells on the lease are fully equipped. There is spacing available for new drilling of two or more wells. The Company has been reworking the three wells and will start producing the oil and gas wells into the production tanks and gas gathering pipelines on the lease. On March 20, 2015, the Company sold a 37.5% working interest in the three wells.

Callahan County, Texas – Shallow Oil project

On July 7, 2014, the Company acquired a 75% working interest in the Isenhower lease. The Isenhower lease has three fully equipped wells completed in the Cook Sandstone at approximately 500 feet. The lease also has one approved water injection well and eight potential undrilled locations. The Company's plan is to rework all three of the wells to place them back into production and drill new wells to fully develop the acreage.

Callahan County, Texas – Mississippi Reef project

On July 7, 2014, the Company acquired a 60% working interest in the J. Morgan lease. The J. Morgan lease is located in an area with multiple formations that are known to be oil and gas productive.

Winnemucca Mountain Gold Property, Nevada

The Winnemucca Mountain Property consists of a total 208 unpatented mineral claims in Humboldt County, in northwestern Nevada. Initial exploration completed by the Company has shown a series of steeply dipping quartz veins and further exploration is planned with the focus of defining the potential of one million plus ounces of gold equivalent on the property. Effective September 14, 2012, the Company holds an option to acquire an 80% interest in the claims of the property.

The accompanying financial statements have been prepared in accordance with U.S. generally accepted accounting principles for financial information and the instructions for Form 10-K. In the opinion of management, all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation have been included.

1. ORGANIZATION AND BUSINESS OPERATIONS – *Continued*

Going Concern and Liquidity Considerations

The accompanying financial statements are prepared and presented on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. Accordingly, they do not include any adjustments relating to the realization of the carrying value of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Since inception to date, the Company has an accumulated deficit of \$817,335. The Company intends to fund operations through equity financing arrangements, which may be insufficient to fund its capital expenditures, working capital and other cash requirements for the next twelve months ending July 31, 2016.

These factors, among others, raise substantial doubt about the Company's ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Presentation

The accounting and reporting policies of the Company conform to U.S. generally accepted accounting principles (US GAAP) applicable to development stage companies.

b) Fiscal Periods

The Company's fiscal year end is July 31.

c) Use of Estimates

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 and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

d) Cash and Cash Equivalents

Cash and cash equivalents include cash in banks, money market funds, and certificates of term deposits with maturities of less than three months from inception, which are readily convertible to known amounts of cash and which, in the opinion of management, are subject to an insignificant risk of loss in value. As at July 31, 2015, cash and cash equivalents of \$2,170 (July 31, 2014 - \$35,400) was held as bank balance.

e) Financial Instruments and Risk Concentrations

The Company's financial instruments comprise cash and cash equivalents, loan receivable, accounts payable and accrued liabilities, notes payable and convertible loan. Unless otherwise indicated, the fair value of financial assets and financial liabilities approximate their recorded values due to their short terms to maturity. The Company determines the fair value of its long-term financial instruments based on quoted market values or discounted cash flow analyses.

2. SIGNIFICANT ACCOUNTING POLICIES – *Continued*

Financial instruments that may potentially subject the Company to concentrations of credit risk comprise primarily cash and cash equivalents and accounts receivable. Cash and cash equivalents comprise deposits with major commercial banks and/or checking account balances. With respect to accounts receivable, the Company performs periodic credit evaluations of the financial condition of its customers and typically does not require collateral from them. Allowances are maintained for potential credit losses consistent with the credit risk of specific customers and other information. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest or currency risks in respect of its financial instruments.

f) Foreign Currency Translation

The financial statements are presented in US dollars. In accordance with Statement of Financial Accounting Standards the Company maintains its accounting records in U.S. dollars, which is the functional, and reporting currency. The resulting foreign exchange gains and losses are included in operations. Foreign exchange gain amounted to \$5,110 for the twelve months ended July 31, 2015 (July 31, 2014 – gain of \$148).

g) Income Taxes

The Company accounts for its income taxes in accordance with ASC 740, "Income Taxes", which requires recognition of deferred tax assets and liabilities for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and tax credit carry forwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in operations in the period that includes the enactment date. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that the deferred tax assets will not be realized.

h) Basic and Diluted (Loss) per Share

The Company reports earnings (loss) per share in accordance with ASC 260, "Earnings per Share." Basic earnings (loss) per share is computed by dividing income (loss) available to common stockholders by the weighted average number of common shares available. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common shares had been issued and if the additional common shares were dilutive. The Company has no potential dilutive instruments and accordingly, basic loss and diluted share loss per share are equal.

3. MINERAL RIGHTS AND PROPERTIES

Coleman County – Three Well Rework/Recompletion

On October 14, 2014, the Company entered into a Terms of Farm-out Agreement with Copper Basin Oil & Gas Inc. to acquire a working interest in an oil and gas lease in the J.E. Richey lease, which has 3 fully equipped wells, production flow lines, injection flow line, Tank battery consisting of two 300 BBL tanks, one 210 BBL tank with two separators. The Company agreed to acquire a 75% working interest in the lease including the existing wells and equipment by committing to do the following:

- Re-Work and place back into production two wells
- Re-Complete the third well and place into production
- Pay \$50,000 in cash
- Issue to Cooper or its designee(s) 2,000,000 restricted shares of the Company's common stock

The total consideration that the Company must pay to acquire the 75% working interest is estimated at \$336,000, which amount includes all work requirements, and common stock valued at \$0.10 based upon our current share price of \$0.11 as at October 14, 2014. The Net Revenue Interest is 56.25% and consists of approximately 206.5 acres, more or less, in Coleman County, Texas. This lease has no depth limit.

On March 20, 2015, the Company entered into a multi-well purchase and sale agreement with EF VC2, LLC to sell a 37.5% working interest ("WI") in the 3 wells for total consideration of \$180,000. Under the terms of the agreement both parties will receive a 50.0% of the WI revenue from these three wells until EF VC2 recaptures their investment of \$180,000 (defined as "Payout"). After Payout EF VC2 will revert to a 37.5% of the WI revenue for the remaining life of the production from the three wells.

Callahan County Shallow Oil Play

On July 7, 2014, the Company entered into a Terms of Farm-out Agreement with Grasshoppers Unlimited Inc. to acquire a working interest in an oil and gas lease in the Callahan County Shallow Oil Play, which has 3 fully equipped wells, 1 injection well, production flow lines, injection flow line, Tank battery consisting of two 150 BBL tanks with separator, Injection system has a 150 BBL tank with Injection Pump, 8 un-drilled locations. The Company agreed to acquire a 75% working interest in the lease including the existing wells and equipment by committing to do the following:

- Bringing the existing three wells back into production (these three wells have been inactive since November 2012)
- Conducting a H-5 pressure test on the injection well
- Agreeing to drill two (2) new wells prior to August 1, 2015
- Agreeing to drill six (6) new wells prior to August 1, 2016
- Paying \$25,000 in cash on or before October 1, 2014
- Issuing to Grasshoppers or its designee(s) 5,000,000 restricted shares of the Company's common stock
- Enter into an Operating Agreement (A.A.P.L. Model Operating Form 610) with J.V. Rhyne, a licensed oil and gas operator in the State of Texas to operate the wells

The total consideration that we must pay to acquire the 75% working interest is estimated at \$275,000, which amount does not include all work requirement and drilling commitments. The common stock is valued at \$0.05 per share based upon our current share price of \$0.10 as at June 30, 2014. The Net Revenue Interest is 70% and consists of approximately 60 acres, more or less, in Callahan County, Texas. This lease has a depth limit to no more than 1,000 feet.

3. MINERAL RIGHTS AND PROPERTIES – *Continued*

Callahan/Eastland Mississippi Reef Play

On July 7, 2014, under the same Terms of Farm-out Agreement with Grasshoppers Unlimited Inc., the Company acquired a working interest in a second oil and gas lease known as the Callahan/Eastland Mississippi Reef Play, which is located near the Callahan and Eastland County line in Central Texas. We agreed to acquire 60% of the working interest in this lease by conducting the following:

Preparing an independent geological report on the lease.
Agreeing to drill one (1) new well prior to August 1, 2015
Paying \$15,000 in cash on or before October 1, 2014
Issuing 1,000,000 restricted shares of the Company's common stock to Grasshoppers or its designees.

- Preparing an independent geological report on the lease.
- Agreeing to drill one (1) new well prior to August 1, 2015
- Paying \$15,000 in cash on or before October 1, 2014
- Issuing 1,000,000 restricted shares of the Company's common stock to Grasshoppers or its designees.

The total consideration that we must pay to acquire the 60% working interest is approximately \$65,000, which amount does not include the cost of drilling and completing a well on the acreage. The common stock is valued at \$0.05 based upon our current share price of \$0.10 as at June 30, 2014. The Net Revenue Interest is 75% and consists of approximately 220 acres, more or less, in Callahan County, Texas. This lease has no depth limit requirement. The Company is currently in discussions to amend the terms of the lease.

Winnemucca Mountain Property

On September 14, 2012, the Company entered into an option agreement (as amended and restated on November 15, 2012, February 1, 2013 and August 26, 2013) with AHL Holdings Ltd., a Nevada corporation, and Golden Sands Exploration Inc., a company incorporated under the laws of British Columbia, Canada, wherein the Company acquired an option to purchase a revised 80% interest in and to certain mining claims from AHL Holdings and Golden Sands, which claims form the Winnemucca Mountain Property in Humboldt County, Nevada. This Winnemucca Mountain property is currently comprised of 208 unpatented mining claims covering an area of approximately 3,800 acres.

The aggregate cash fee payable to exercise the option has been increased from \$1,715,000 to \$1,755,000 and the total number of common shares issuable to exercise the option has been increased from 100,000 to 2,100,000. Lastly, the amended and restated agreement provides that AHL Holdings may elect to receive shares of our common stock in lieu of any cash payments payable pursuant to the agreement at a 75% discount to the then current closing market price.

Effective July 30, 2014, the Company entered into an amended and restated option agreement with AHL Holdings and Golden Sands that materially modifies and replaces the terms of the original option agreement (as amended last on August 26, 2013). Pursuant to this amended and restated agreement, the remaining outstanding obligations are as follows:

1. To pay Golden Sands:
 - a. \$20,000 by January 31, 2015 (extended from January 31, 2014);
 - b. \$50,000 by December 31, 2015 (extended from December 31, 2014);
 - c. \$150,000 by December 31, 2016 (extended from December 31, 2015);
 - d. \$400,000 by December 31, 2017 (extended from December 31, 2016); and
 - e. \$1,000,000 by December 31, 2018 (extended from December 31, 2017);

3. MINERAL RIGHTS AND PROPERTIES – *Continued*

2. Issue and deliver shares to Golden Sands as follows:
 - a. 1,250,000 common shares of our Company on August 26, 2014;
 - b. 500,000 shares by August 31, 2015 (extended from September 30, 2013);
 - c. 500,000 shares by December 31, 2015 (extended from December 31, 2014); and
 - d. 500,000 shares by December 31, 2016 (extended from December 31, 2015);

3. Incur exploration expenses as follows:
 - a. incur exploration expense of at least \$250,000 by December 31, 2015 (increased and extended from \$150,000 by July 1, 2014, respectively);
 - b. incur cumulative exploration expense of at least \$1,000,000 by December 31, 2016 (increased and extended from \$250,000 by December 31, 2014, respectively);
 - c. incur cumulative exploration expense of at least \$2,000,000 by December 31, 2017 (extended from December 31, 2016); and
 - d. incur cumulative exploration expense of at least \$4,000,000 by December 31, 2018 (extended from December 31, 2017);

4. Further, we are to:
 - a. prepare a feasibility report pertaining to the property, authored by a qualified person, reasonably acceptable to AHL Holdings and Golden Sands by December 31, 2019 (extended from December 31, 2018);
 - b. deliver to AHL Holdings and Golden Sands a notice of exercise of option and compliance certificate by December 31, 2019 (extended from December 31, 2018);
 - c. deliver to AHL Holdings and Golden Sands technical reports by April 30, 2016 for the period ended December 31, 2015 (extended from September 15, 2014 and for the period July 1, 2014); and
 - d. make the following payments to the AHL Holdings:
 - i. \$20,000 by April 1, 2013 (paid);
 - ii. \$10,000 by April 1, 2015 (extended from April 1, 2014);
 - iii. \$20,000 by April 1, 2016 (extended from April 1, 2015);
 - iv. \$20,000 by April 1, 2017 (extended from April 1, 2016); and
 - v. \$50,000 by each successive April 1 until production commences from the property.

As of July 31, 2015 we have paid \$142,500 in option payments, issued 1,350,000 common shares, paid an advance royalty payment of \$20,000, and advanced \$21,028 for exploration expenditures as required by the amended and restated agreement.

4. CONVERTIBLE DEBT

On August 22, 2013 the Company entered into a \$50,000 Convertible Loan Agreement with an un-related party. The Loan is convertible into Units at \$0.10 per Unit with each Unit consisting of one common share of the Company and ½ warrant with each full warrant exercisable for 1 year to purchase 1 common share at \$0.30 per share. The Loan shall bear interest at the rate of Eight Percent (8%) per annum, payable on maturity, calculated on the principal amount of the Loan outstanding.

On July 10, 2014, a further \$35,000 was received by the same unrelated party under the same terms.

The Company may require the Lender, at any time following the date that the closing price of the Shares as listed on a Principal Market, as quoted by Bloomberg L.P. (the "Closing Price") has been at or above \$0.40 for a period of twenty consecutive trading days, to exercise the Warrants and acquire the Shares at the Conversion Price. The Lender must exercise the Warrants in accordance with Section 2.6(e) within five (5) business days of the receipt of notice from the Company, after which time the Warrants shall be cancelled if unexercised. As used herein, "Principal Market" shall mean the OTC Bulletin Board, the Nasdaq SmallCap Market, or the American Stock Exchange. If the Common Shares are not traded on a Principal Market, the Closing Price shall mean the reported Closing Price for the Common Shares, as furnished by FINRA for the applicable periods.

5. CAPITAL STOCK

a) Authorized Stock

The Company has authorized 75,000,000 common shares with \$0.001 par value. Each common share entitles the holder to one vote, in person or proxy, on any matter on which action of the stockholder of the corporation is sought.

b) Share Issuances

At July 31, 2015, there are 16,144,484* common stock issued and outstanding:

3,000,000* shares of common stock to the director at \$.001/per share = \$3,000
1,500,000* shares were issued to private shareholders at \$.01/per share = \$15,000
500,000* shares to private shareholders at \$.02/ per share = \$10,000
For a total of \$28,000

On September 12, 2012 pursuant to the closing of a private placement, 16,807* shares of common stock at a purchase price of \$11.90* per share for total proceeds of \$200,000 was issued.

On September 27, 2012 10,000* share of common stock were issued as part of the compensatory terms of the mineral rights option agreement entered into by the Company.

On October 2, 2012 pursuant to the closing of a private placement, 9,677* shares of common stock at a purchase price of \$15.50* per share for total proceeds of \$150,000 was issued.

On April 2, 2013 pursuant to the closing of a private placement, 8,000* shares of common stock at a purchase price of \$2.50* per share for total proceeds of \$20,015 was issued.

On December 6, 2013, a private placement of common stock with warrant was issued for \$20,000. The offering consists of units ("Units") at \$0.08 per Unit. Each Unit will consist of one common share in the capital of the Issuer (each, a "Share") and one half of one common share purchase warrant (each whole warrant a "Warrant") subject to adjustment. Each whole Warrant shall entitle the holder thereof to purchase one common share in the capital stock of the Issuer (each, a "Warrant Share"), as defined below. The whole Warrants will be exercisable for 12 months following the Closing at \$0.15 per share. The offering closed on December 31, 2013. On July 31, 2014, 250,000 common stock was issued. The whole warrants will now be exercisable for 12 months following the July 31, 2014 issuance date.

On July 7, 2014, 5,000,000 shares of common stock were issued as part of the compensatory terms of the Terms of Farm-out Agreement to acquire a working interest in an oil and gas lease entered into by the Company.

On July 7, 2014, 1,000,000 shares of common stock were issued as part of the compensatory terms of the Terms of Farm-out Agreement to acquire a working interest in an oil and gas lease entered into by the Company.

On July 31, 2014 pursuant to the closing of a private placement, 400,000 shares of common stock at a purchase price of \$0.05 per share was issued for proceeds of \$20,000 that had been advanced.

On July 31, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

On July 31, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

5. CAPITAL STOCK – Continued

On July 31, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

On July 31, 2014 1,250,000 shares of common stock were issued as required as part of the compensatory terms of the mineral rights option agreement entered into by the Company.

On October 1, 2014 pursuant to the closing of a private placement, 200,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$10,000 was issued.

On October 1, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

On October 1, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

On October 1, 2014 pursuant to the closing of a private placement, 100,000 shares of common stock at a purchase price of \$0.05 per share for total proceeds of \$5,000 was issued.

On October 20, 2,000,000 shares of common stock were issued as part of the compensatory terms of the Terms of Farm-out Agreement to acquire a working interest in an oil and gas lease entered into by the Company.

On November 1, 2014, 100,000 shares of common stock that were purchased at \$0.05 per share for total proceeds of \$5,000 were cancelled. The \$5,000 has been reclassified as an advance to the Company.

** The figures and amounts give retroactive effect of the 10:1 reverse stock split effective August 13, 2013.*

6. RELATED PARTY TRANSACTIONS

A former officer of the Company has advanced the Company \$24,747 by making payments on behalf of the Company. The full balance of \$24,747 is still owed as of July 31, 2015 (July 31, 2014 - \$24,747). The advance is unsecured, non-interest bearing and has no specific terms of repayment.

On August 15, 2012, the Company entered into an Independent Contractor Agreement with the Company's newly appointed Chief Executive Officer, President and Director. The term of the agreement commenced on August 15, 2012 and goes through to August 15, 2013, unless formerly terminated. The agreement continued on a month-to-month basis until March 15, 2014. On April 24, 2014, a Settlement Agreement was entered into for a lump sum in full compensation of outstanding compensation owed to the officer to March 15, 2014. In the twelve months ended July 31, 2015, an additional \$12,500 (April 30, 2014 - \$20,000) was accrued to the officer as the full amount of the outstanding compensation owed plus monthly compensation from April to September 2014. The officer has resigned. As of July 31, 2015, \$2,500 for the final month of consulting for September 2014 is still owed by the Company.

For the twelve months ended July 31, 2015, total payments of \$83,350 were made to an officer of the Company for consulting services.

7. SUBSEQUENT EVENTS

The Company evaluated all events or transactions that occurred after July 31, 2015 up through the date these financial statements were available for issuance. During this period, the Company did not have any material recognizable subsequent events.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURES

There have been none.

ITEM 9A. CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures, as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934 (the "Exchange Act"), that are designed to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer (our principal executive officer, principal financial officer and principal accounting officer), as appropriate to allow timely decisions regarding required disclosure.

We carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and chief financial officer (our principal executive officer, principal financial officer and principal accounting officer), of the effectiveness of the design and operation of our disclosure controls and procedures as of quarter covered by this report. Based on the evaluation of these disclosure controls and procedures the chief executive officer and chief financial officer (our principal executive officer, principal financial officer and principal accounting officer) concluded that our disclosure controls and procedures were not effective.

Changes in Internal Controls

During the quarter covered by this report there were no changes in our internal control over financial reporting that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

Changes in Control of the Registrant

On April 24, 2014 Ramzan Savji entered into a Stock Purchase Agreement with Ivan Webb pursuant to which Mr. Savji sold to Mr. Webb 2,900,000 shares of our common stock in consideration of \$29,000. The securities sold represent approximately 21.73% of our issued and outstanding capital stock as at the date of this report. The funds paid to Mr. Savji in consideration of the shares were Mr. Webb's personal funds. Mr. Webb is a U.S. resident and citizen.

Pursuant to the terms of the Farm-out Agreement dated July 7, 2014 to acquire a working interest in two oil and gas leases, 6,000,000 shares of common stock was issued to Grasshoppers Unlimited Inc. on July 31, 2014. The securities represent 44.96% of our issued and outstanding capital stock as at the date of this report triggering a change in control of our company.

We have no other change of control arrangements in place .

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

All directors of our company hold office until the next annual meeting of the security holders or until their successors have been elected and qualified. The officers of our company are appointed by our board of directors and hold office until their death, resignation or removal from office. Our directors and executive officers, their ages, positions held, and duration as such, are as follows:

Name	Age	Position with the Company	Date Appointed
Howard Siegel	70	CEO, CFO, President, Treasurer and Director	April 24, 2014
Roger Autrey	56	Secretary	September 19, 2013
Ivan Webb	64	Vice President and Director	March 16, 2015
Ramzan Savji	65	CEO, CFO, President, Secretary, Treasurer and Director *	August 14, 2012

* Mr. Savji resigned from office and our board of directors effective April 24, 2014.

BUSINESS EXPERIENCE

The following is a brief account of the education and business experience during at least the past five years of each director, executive officer and key employee of our company, indicating the person's principal occupation during that period, and the name and principal business of the organization in which such occupation and employment were carried out.

Howard Siegel

Howard Siegel was appointed to our Board of Directors on April 23, 2014 and appointed as our President, Chief Executive Officer, Chief Financial Officer and Treasurer on April 24, 2014.

Howard Siegel is an attorney licensed to practice law in the State of Texas and has been a practicing attorney for over 40 years. He holds a law degree from St. Mary's University Law School. Mr. Siegel's law practice includes tax, real estate, and corporate law matters. He previously worked for the Internal Revenue Service, Tenneco, Inc., The Superior Oil Company and Bracewell & Patterson. He has served as a Director in public and private corporations, including Hondo Minerals, Inc., Australian Canadian Oil Royalties, Ltd., and Syndication, Inc. Mr. Siegel is 70 years of age and resides in Houston, Texas.

Our company believes that Mr. Siegel's professional background, management and corporate governance experience give him the qualifications and skills necessary to serve as principal officer and as a director of our company.

Roger Autrey

Roger Autrey, has experience in assisting businesses in the field of international oil and gas with over 20 years sales, marketing and commercial experience acquired through privately operated and publicly traded oil companies. Mr. Autrey is currently active in several oil and gas projects in Australia & Africa.

He has been personally responsible for identifying, evaluating and recommending multiple new prospects being offered by governmental agencies, creating sealed bid applications to numerous private and public companies, and involved in private bids resulting in successful awards of over 100,000,000 gross acres, both onshore and offshore farmin projects. Further, he has been responsible for creating all sales and marketing materials used for farmin projects for prospective clients and participated in numerous oil and gas conventions globally.

Since early 1998, Mr. Autrey has served as the New Ventures Director for International Oil Lease Service Corp. ("IOLSC") and Australian Grazing & Pastoral Co., Pty. Ltd. ("AGP"). IOLSC and AGP have successfully leased over 600,000,000 and 1,000,000 gross acres, respectively, for oil and gas exploration in foreign countries. Additionally, from March 2004 to March 2011, Mr. Autrey worked in the new ventures department for Australian-Canadian Oil Royalties Ltd. whose principal assets consisted of 15,440,116 gross surface acres of overriding royalty interest and approximately 8,561,007 gross acres of working interests.

We believe that Mr. Autrey's professional background, and business and operational experience give him the qualifications and skills necessary to serve as Secretary of our company. Mr. Autrey was appointed on September 19, 2013.

Ivan Webb

Ivan Webb is a seasoned and successful entrepreneur, with over 35 years of experience in the oil and gas industry internationally and in the United States. He is experienced with acquiring oil and gas concessions and leases, drilling of new wells and reworking/ re-completing existing wells, production management, working with service companies and regulatory compliance. Internationally, he has successfully leased more than 18,000,000 acres. Domestically he has been involved with the acquisition and or management of more than 250 wells in Kansas, Texas, Oklahoma and Texas.

Mr. Webb has also over 30 years of experience in managing or assisting public companies in both the US and Canada with regulatory compliance. His public company experience includes assisting companies with initial public offerings, reverse mergers, obtaining listings, and assisting with ongoing regulatory compliance.

We believe tha Mr. Webb's professional background, management and corporate governance experience give him the qualifications and skills necessary to serve as Vice President as as a direcotr of our company. Mr.Webb was appointed on March 16, 2015.

Ramzan Savji

Ramzan Savji was appointed as our President, Chief Executive Officer, Treasurer, Secretary and Director on August 14, 2012. Mr. Savji has more than 30 years of experience in the banking and business sector. He has studied Banking and Business Administration in Germany and was employed with the Deutsche Bank A.G., Munich, Germany in their letters of credit department from June 1971 to August 1974. He then became the Area Representative for Societe Generale, the French & International Bank from May 1988 to April 1995. He covered Kenya, Uganda, Tanzania, Rwanda, Burundi and Malawi. He was responsible for building up and enhancing correspondent banking relationships between Societe Generale and the banks domiciled in the above countries. He was also responsible for lobbying and promoting business for the French companies and arranging short, medium and long-term lines of credit for project financing for both, the Public Sector as well the Private Sector

In August 2000, Mr. Savji incorporated Telecommunications Supply Line Ltd., a telecommunications installation and networking material supplier in Kenya, wherein he managed the company on a day-to-day basis for over a period of ten years.

From December 1993 to December 1996, Mr. Savji has been a Member of the Board of Governors of the Aga Khan Hospital in Nairobi, Kenya

Since October 2011, Mr. Savji has been the vice president, secretary and a member to the board of directors of Toron, Inc., a mineral exploration company located in Montreal, Quebec, Canada. His primary duties and responsibilities include assisting the president with the day-to-day operations of the company.

Mr. Savji resigned on April 24, 2014. The resignation was not a result of any disagreement with the Company regarding our operations, policies, practices or otherwise.

Family Relationships

There are no family relationships among any of our officers or directors.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has, during the past ten years:

1. been convicted in a criminal proceeding or been subject to a pending criminal proceeding (excluding traffic violations and other minor offences);
2. had any bankruptcy petition filed by or against the business or property of the person, or of any partnership, corporation or business association of which he was a general partner or executive officer, either at the time of the bankruptcy filing or within two years prior to that time;
3. been subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction or federal or state authority, permanently or temporarily enjoining, barring, suspending or otherwise limiting, his involvement in any type of business, securities, futures, commodities, investment, banking, savings and loan, or insurance activities, or to be associated with persons engaged in any such activity;
4. been found by a court of competent jurisdiction in a civil action or by the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
5. been the subject of, or a party to, any federal or state judicial or administrative order, judgment, decree, or finding, not subsequently reversed, suspended or vacated (not including any settlement of a civil proceeding among private litigants), relating to an alleged violation of any federal or state securities or commodities law or regulation, any law or regulation respecting financial institutions or insurance companies including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail or wire fraud or fraud in connection with any business entity; or
6. been the subject of, or a party to, any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act (15 U.S.C. 78c(a)(26)), any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act (7 U.S.C. 1(a)(29)), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

Committees of the Board

All proceedings of our sole director were conducted by resolutions consented to in writing by the director and filed with the minutes of the proceedings of the directors. Such resolutions consented to in writing by the director entitled to vote on that resolution at a meeting of the directors are, according to the corporate laws of the state of Nevada and the bylaws of our company, as valid and effective as if they had been passed at a meeting of the directors duly called and held.

Our company currently does not have nominating, compensation or audit committees or committees performing similar functions nor does our company have a written nominating, compensation or audit committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes that the functions of such committees can be adequately performed by our sole director.

Our company does not have any defined policy or procedure requirements for shareholders to submit recommendations or nominations for directors. The sole director believes that, given the early stage of our development, a specific nominating policy would be premature and of little assistance until our business operations develop to a more advanced level. Our company does not currently have any specific or minimum criteria for the election of nominees to the board of directors and we do not have any specific process or procedure for evaluating such nominees. Our director assesses all candidates, whether submitted by management or shareholders, and makes recommendations for election or appointment.

A shareholder who wishes to communicate with our board of directors may do so by directing a written request addressed to our President, at the address appearing on the first page of this annual report.

Audit Committee and Audit Committee Financial Expert

Our sole director has determined that our director does not qualify as an "audit committee financial expert" as defined in Item 407(d)(5)(ii) of Regulation S-K, and is "independent" as the term is used in Item 7(d)(3)(iv) of Schedule 14A under the Securities Exchange Act of 1934, as amended.

We believe that the sole director is capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. We believe that retaining an independent director who would qualify as an "audit committee financial expert" would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development and the fact that we have not generated any material revenues to date. In addition, we currently do not have nominating, compensation or audit committees or committees performing similar functions nor do we have a written nominating, compensation or audit committee charter. Our board of directors does not believe that it is necessary to have such committees because it believes the functions of such committees can be adequately performed by our sole director.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Our common stock is not registered pursuant to Section 12 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Accordingly, our officers, directors, and principal stockholders are not subject to the beneficial ownership reporting requirements of Section 16(a) of the Exchange Act.

Code of Ethics

We have adopted a Code of Ethics applicable to our officers and directors which is a "code of ethics" as defined by applicable rules of the SEC. If we make any amendments to our Code of Ethics other than technical, administrative, or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of our Code of Ethics to our Chief Executive Officer, Chief Financial Officer, or certain other finance executives, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies in a current report on Form 8-K filed with the SEC.

Conflicts of Interest

Certain potential conflicts of interest are inherent in the relationships between our officers and directors, and us.

From time to time, one or more of our affiliates may form or hold an ownership interest in and/or manage other businesses both related and unrelated to the type of business that we own and operate. These persons expect to continue to form, hold an ownership interest in and/or manage additional other businesses which may compete with ours with respect to operations, including financing and marketing, management time and services and potential customers. These activities may give rise to conflicts between or among the interests of us and other businesses with which our affiliates are associated. Our affiliates are in no way prohibited from undertaking such activities, and neither we nor our shareholders will have any right to require participation in such other activities.

Further, because we intend to transact business with some of our officers, directors and affiliates, as well as with firms in which some of our officers, directors or affiliates have a material interest, potential conflicts may arise between the respective interests of us and these related persons or entities. We believe that such transactions will be effected on terms at least as favorable to us as those available from unrelated third parties.

ITEM 11. EXECUTIVE COMPENSATION

The particulars of the compensation paid to the following persons:

- our principal executive officer;
- each of our two most highly compensated executive officers who were serving as executive officers at the end of the years ended July 31, 2015 and 2014; and
- up to two additional individuals for whom disclosure would have been provided under (b) but for the fact that the individual was not serving as our executive officer at the end of the years ended July 31, 2015 and 2014,

who we will collectively refer to as the named executive officers of our company, are set out in the following summary compensation table, except that no disclosure is provided for any named executive officer, other than our principal executive officers, whose total compensation did not exceed \$100,000 for the respective fiscal year:

SUMMARY COMPENSATION TABLE

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Non-Equity Incentive Plan Compensation (\$)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (\$)	All Other Compensation (\$)	Total (\$)
Howard Siegel ⁽¹⁾									
<i>President, Chief Financial Officer, Chief Executive Officer and Treasurer</i>	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Roger Autrey ⁽²⁾									
<i>Secretary</i>	2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2014	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ivan Webb ⁽³⁾									
<i>Vice President</i>	2015	83,350	N/A	N/A	N/A	N/A	N/A	N/A	83,350
Ramzan Savji ⁽⁴⁾									
<i>President, Chief Financial Officer, Chief Executive Officer, Secretary and Treasurer</i>	2015	12,500	N/A	N/A	N/A	N/A	N/A	N/A	12,500
	2014	20,000	N/A	N/A	N/A	N/A	N/A	N/A	20,000
	2013	30,798	N/A	N/A	N/A	N/A	N/A	N/A	30,798
	2012	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	2011	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michael Thiessen ⁽⁵⁾									
<i>Former President, Chief Financial Officer, Chief Executive Officer, Secretary and Treasurer</i>	2012	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2011	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(1) Howard Siegel was appointed as a director on April 23, 2014 and appointed as president, chief financial officer, chief executive officer and treasurer on April 24, 2014.

(2) Roger Autrey was appointed Secretary on September 19, 2013.

(3) Ivan Webb was appointed Vice President and a director on March 16, 2015.

(4) Ramzan Savji was appointed president, chief financial officer, chief executive officer, secretary and treasurer on August 14, 2012. He resigned as Secretary on September 19, 2013 and fully as an officer and director on April 24, 2014.

(5) Michael Thiessen resigned as president, chief financial officer, chief executive officer, secretary and treasurer on August 14, 2012.

Other than as set out below, there are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. Our directors and executive officers may receive share options at the discretion of our board of directors in the future. We do not have any material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that share options may be granted at the discretion of our board of directors.

On March 16, 2015, Ivan Webb was appointed as Vice President and a director. For the twelve months ended July 31, 2015, Mr. Webb has been paid \$83,350 as compensation for his services.

On April 23, 2014, Howard Siegel was appointed as a director. On April 24, 2014, Mr. Siegel was further appointed as our President, Chief Financial Officer, Chief Executive Officer and Treasurer. Mr. Siegel does not receive compensation for his services.

On September 19, 2013, Roger Autrey was appointed as Secretary. Mr. Autrey does not receive compensation for his services.

On August 15, 2012, we entered into a consulting agreement with Ramzan Savji, whereby Mr. Savji agreed to provide services as chief executive officer, president and sole director of our company. In consideration for agreeing to provide such services, we had agreed to pay Mr. Savji a salary of \$2,500 per month during the term of the consulting agreement in addition to \$7,500 as an initial payment for the first three (3) months of services performed by Mr. Savji. On September 19, 2013, Mr. Savji resigned as Secretary and on April 24, 2014, Mr. Savji resigned from office. Pursuant to the Settlement Agreement, we have agreed to pay to Mr. Savji a lump sum of \$20,000 in full consideration of outstanding compensation payable to him pursuant to his consulting agreement with the company. Late payment will be subject to a \$2,500 monthly penalty until the \$20,000 is paid in full.

On March 2, 2010, we entered into an independent contractor agreement under which compensation of \$8,000 per month was to be paid to perform services to Michael Thiessen for a period of one year. The agreement was continued on a month-to-month basis. However in the year ended July 31, 2012, \$232,000 being the whole amount of the related service fee from March 2, 2010, has been written off and the Mr. Thiessen provided a release from all liabilities owed on September 7, 2012, subsequent to his resignation on August 14, 2012.

Stock Option Grants

We have not granted any stock options to the executive officers since our inception.

Outstanding Equity Awards at Fiscal Year End

For the year ended July 31, 2015, no director or executive officer has received compensation from us pursuant to any compensatory or benefit plan. There is no plan or understanding, express or implied, to pay any compensation to any director or executive officer pursuant to any compensatory or benefit plan.

Compensation of Directors

No member of our Board of Directors received any compensation for his services as a director during the year ended July 31, 2015.

Pension, Retirement or Similar Benefit Plans

There are no arrangements or plans in which we provide pension, retirement or similar benefits for directors or executive officers. We have no material bonus or profit sharing plans pursuant to which cash or non-cash compensation is or may be paid to our directors or executive officers, except that stock options may be granted at the discretion of the board of directors or a committee thereof.

Indebtedness of Directors, Senior Officers, Executive Officers and Other Management

None of our directors or executive officers or any associate or affiliate of our company during the last two fiscal years, is or has been indebted to our company by way of guarantee, support agreement, letter of credit or other similar agreement or understanding currently outstanding.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth, as of November 13, 2015, certain information with respect to the beneficial ownership of our common shares by each shareholder known by us to be the beneficial owner of more than 5% of our common shares, as well as by each of our current directors and executive officers as a group. Each person has sole voting and investment power with respect to the shares of common stock, except as otherwise indicated. Beneficial ownership consists of a direct interest in the shares of common stock, except as otherwise indicated.

<u>Name and Address of Beneficial Owner</u>	<u>Office, If Any</u>	<u>Title of Class</u>	<u>Amount and Nature of Beneficial Ownership ⁽¹⁾</u>	<u>Percent of Class ⁽²⁾</u>
Grasshoppers Unlimited Inc.	N/A	Common stock, \$0.001 par value	4,728,000	29.29%
Golden Sands Exploration Inc.	N/A	Common stock, \$0.001 par value	1,250,000	7.75%
Ivan Webb	N/A	Common stock, \$0.001 par value	2,900,000	17.97%

- (1) Beneficial Ownership is determined in accordance with the rules of the SEC and generally includes voting or investment power with respect to securities. Each of the beneficial owners listed above has direct ownership of and sole voting power and investment power with respect to the shares of our common stock.
- (2) A total of 16,144,484 shares of our common stock are considered to be outstanding pursuant to SEC Rule 13d-3(d)(1) as of November 13, 2015. For each beneficial owner above, any options exercisable within 60 days have been included in the denominator.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Except as disclosed herein, no director, executive officer, shareholder holding at least 5% of shares of our common stock, or any family member thereof, had any material interest, direct or indirect, in any transaction, or proposed transaction since the year ended July 31, 2015, in which the amount involved in the transaction exceeded or exceeds the lesser of \$120,000 or one percent of the average of our total assets at the year end for the last three completed fiscal years.

Promoters and Certain Control Persons

We did not have any promoters at any time during the past five fiscal years.

Director Independence

We currently act with one director, Howard Siegel. We have determined that we do not have an “independent director” as defined in NASDAQ Marketplace Rule 4200(a)(15).

We do not have a standing audit, compensation or nominating committee, but our sole director and officer acts in such capacities. We believe that our sole director is capable of analyzing and evaluating our financial statements and understanding internal controls and procedures for financial reporting. Our sole director does not believe that it is necessary to have an audit committee because we believe that the functions of an audit committee can be adequately performed by the sole director. In addition, we believe that retaining an independent director who would qualify as an “audit committee financial expert” would be overly costly and burdensome and is not warranted in our circumstances given the early stages of our development.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The aggregate fees billed for the most recently completed fiscal year ended July 31, 2015 and for the fiscal year ended July 31, 2014 for professional services rendered by the principal accountant for the audit of our annual financial statements and review of the financial statements included in our quarterly reports on Form 10-Q and services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for these fiscal periods were as follows:

	<u>Year Ended</u>	
	<u>July 31, 2015</u>	<u>July 31, 2014</u>
	<u>\$</u>	<u>\$</u>
Audit Fees	11,900	11,300
Audit Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil
Total	11,900	11,300

Our board of directors pre-approves all services provided by our independent auditors. All of the above services and fees were reviewed and approved by the board of directors either before or after the respective services were rendered.

Our board of directors has considered the nature and amount of fees billed by our independent auditors and believes that the provision of services for activities unrelated to the audit is compatible with maintaining our independent auditors’ independence.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements

- (1) Financial statements for our company are listed in the index under Item 8 of this document
- (2) All financial statement schedules are omitted because they are not applicable, not material or the required information is shown in the financial statements or notes thereto.

(b) Exhibits

Exhibit Number	Exhibit Description
(3)	Articles and Bylaws
3.1	Amendment to Articles of Incorporation (Incorporated by reference to our Current Report on Form 8-K filed on August 12, 2013)
(10)	Material Contracts
10.1	Amended and Restated Option Agreement between Northern Minerals & Exploration Ltd. and AHL Holdings Ltd. and Golden Sands Exploration Inc. dated July 30, 2014 (Incorporated by reference to our Current Report on Form 8-K filed on November 3, 2014)
10.2	Terms of Farm-Out Agreement between Northern Minerals & Exploration Ltd. and Cooper Basin Oil & Gas Inc. dated October 14, 2014 (Incorporated by reference to our Current Report on Form 8-K filed on November 19, 2014)
10.3	Terms of the Multi-Well Purchase and Sale Agreement between Northern Minerals & Exploration Ltd. and EF VC2, LLC, dated March 20, 2015 (Incorporated by reference to our Current Report on Form 8-K filed on April 9, 2015)
(23)	Consent
23.1	Consent of George Stewart, CPA relating to the audit of the Financial Statements for the years ended July 31, 2015 and 2014 (filed herewith)
(31)	302 Certification
31.1*	Section 302 Certification under Sarbanes-Oxley Act of 2002.
(32)	906 Certification
32.1*	Section 906 Certification under Sarbanes-Oxley Act of 2002.
(101)**	Interactive Data File (Form 10-K for the Year Ended July 31, 2014)
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.

* Filed herewith.

** Furnished herewith. Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of any registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, are deemed not filed for purposes of Section 18 of the Securities and Exchange Act of 1934, and otherwise are not subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: November 16, 2015

NORTHERN MINERALS & EXPLORATION LTD.

(Registrant)

/s/ Howard Siegel

Howard Siegel
President, Chief Executive Officer,
Chief Financial Officer, Treasurer and Director
(Principal Executive Officer,
Principal Financial Officer and
Principal Accounting Officer)

/s/ Roger Autrey

Roger Autrey
Secretary

/s/ Ivan Webb

Ivan Webb
Vice President and Director

GEORGE STEWART, CPA
316 17TH AVENUE SOUTH
SEATTLE, WASHINGTON 98144
(206) 328-8554 FAX(206) 328-0383

To Whom It May Concern:

The firm of George Stewart, Certified Public Accountant consents to the inclusion of our report on the Financial Statements of Northern Minerals and Exploration LTD. as of July 31, 2015 and 2014, in any filings that are necessary now or in the near future with the U. S. Securities and Exchange Commission.

Very Truly Yours,

/S/ George Stewart
George Stewart, CPA
November 16, 2015

**CERTIFICATION PURSUANT TO
18 U.S.C. ss 1350, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Howard Siegel, certify that:

1. I have reviewed this Annual Report on Form 10-K of Northern Minerals & Exploration Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 16, 2015

/s/ Howard Siegel

Howard Siegel
President, Chief Executive Officer,
Chief Financial Officer, Treasurer and Director
(Principal Executive Officer,
Principal Financial Officer and
Principal Accounting Officer)

**CERTIFICATIONS PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
(18 U.S.C. SECTION 1350)**

In connection with the Annual Report of Northern Minerals & Exploration Ltd. (the "Company") on Form 10-K for the year ending July 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers does hereby certify, to such officer's knowledge, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that:

- i. The Report fully complies with the requirements of 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- ii. The information contained in the Report fairly presents, in all material respects, the financial condition and Result of operations of the company.

IN WITNESS WHEREOF, the undersigned has executed this certification as of the 16th day of November, 2015.

By: /s/ Howard Siegel

Howard Siegel
President, Chief Executive Officer,
Chief Financial Officer, Treasurer and Director
(Principal Executive Officer, Principal Financial Officer and
Principal Accounting Officer)

By: /s/ Roger Autrey

Roger Autrey
Secretary

By: /s/ Ivan Webb

Ivan Webb
Vice President and Director