UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

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

For the fiscal year ended April 30, 2015

or

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

Commission File No. 000-49760

Petro River Oil Corp.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**98-0611188** (I.R.S. Employer Identification No.)

1980 Post Oak Blvd., Suite 2020, Houston, TX 77056
(Address of Principal Executive Offices, Zip Code)

(469) 828-3900
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: **None**

Securities registered pursuant to Section 12(g) of the Act: **Common Stock, $0.00001 par value**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes [ ] No [X]

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes [ ] No [X]

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 [X] 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 during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

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

Large accelerated filer [ ] Accelerated filer [ ] Non-accelerated filer [ ] Smaller reporting company [X]

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes [ ] No [X]

As of October 31, 2014 the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was $5,745,818 based on closing price as reported on OTCQB.

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

Class	Outstanding at August 13, 2015
Common Stock, $0.00001 par value per share	851,901,079 shares

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FORWARD-LOOKING STATEMENTS

This report, including information included in future filings by us with the Securities and Exchange Commission (the "SEC"), as well as information contained in written material, press releases and oral statements issued by us or on our behalf, contain, or may contain, certain statements that are "forward-looking statements" within the meaning of federal securities laws that are subject to a number of risks and uncertainties, many of which are beyond our control. This report modifies and supersedes documents filed by us before this report. In addition, certain information that we file with the SEC in the future will automatically update and supersede information contained in this report. All statements, other than statements of historical fact, included in this report regarding our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management are forward-looking statements. When used in this report, the words "could," "believe," "anticipate," "intend," "estimate," "expect," "project", "will" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain such identifying words.

Forward-looking statements may include statements about our business strategy, reserves, technology, financial strategy, oil and natural gas realized prices, timing and amount of future production of oil and natural gas, the amount, nature and timing of capital expenditures, drilling of wells, competition and government regulations, marketing of oil and natural gas, property acquisitions, costs of developing our properties and conducting other operations, general economic conditions, uncertainty regarding our future operating results and plans, objectives, expectations and intentions contained in this report that are not historical.

All forward-looking statements speak only as of the date of this report, and, except as required by law, we do not intend to update any of these forward-looking statements to reflect changes in events or circumstances that arise after the date of this report. You should not place undue reliance on these forward-looking statements. Although we believe that our plans, intentions and expectations reflected in or suggested by the forward-looking statements we make in this report are reasonable, we can give no assurance that these plans, intentions or expectations will be achieved. We disclose important factors that could cause our actual results to differ materially from our expectations under "*Risk Factors*" and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* and elsewhere in this report. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf.

PART I

ITEM 1. BUSINESS

Petro River Oil Corp (the "*Company*") is an enterprise engaged in the exploration and exploitation of conventional and unconventional oil and gas assets with a focus on drilling, completion, recompletions and applying modern technologies. Our core holdings and principal operations are in the mid-continent region of the United States in Oklahoma. We are driven to utilize our expertise both in the mid-continent region and in similar formations to exploit hydrocarbon prone resources with tight and/or challenging characteristics in order to create value for the Company and our shareholders. The Company has additional acreage in Kansas and Missouri. Our principal administrative office is located in Houston, Texas and principal operations are in Oklahoma, Kansas and Western Missouri. The Company also has an office in New York, New York , which is also headquarters to Petro Spring LLC ("Petro Spring"), the Company's wholly-owned technology focused subsidiary.

Our operations are currently primarily focused on exploring and producing in the Mississippian Lime play, but we also have heavy oil reservoirs in Missouri which continue to be under technical review. We have an extensive amount of technical and reservoir information on our Missouri property. The data is being utilized in the understanding and test phases to develop an economic heavy oil production reserve base. In addition to our current research and development efforts, we are in discussions with industry partners to capitalize on and develop acreage in the Mississippian Lime, including possible joint venture partners and acquisition targets.

In light of the challenging oil price environment and capital markets, management is currently in the process of evaluating all options for the Company, including curtailing oil and gas operations, and increasing focus on our technology initiatives. In addition to focusing on obtaining necessary working capital to execute our business plan and continue as a going concern, we are exploring farm in and joint venture opportunities for our oil and gas assets, as well as exit opportunities through an outright sale. No assurances can be given that management will be successful.

Overview

We were originally incorporated under the Company Act (British Columbia) on February 8, 2000 under the name Brockton Capital Corp. We then changed our name to MegaWest Energy Corp. effective February 27, 2010 before changing it to Gravis Oil Corp. on June 20, 2011. On September 11, 2012, we re-organized under the laws of the State of Delaware as a corporation organized under the Delaware General Corporation Law. Prior to September 11, 2012, and at April 30, 2012, we were organized under the laws of Alberta, Canada.

Petro River Oil LLC ("*Petro*"), our wholly owned subsidiary, was incorporated under the laws of the State of Delaware on March 3, 2011. Through proceeds received from the issuance of various promissory notes, on February 1, 2012, Petro purchased various interests in oil and gas leases, wells, records, data and related personal property located along the Mississippi Lime play in the state of Kansas from Metro Energy Corporation ("*Metro*"), a Louisiana company, and other interrelated entities, through a court approved order as Metro was undergoing Chapter 11 Bankruptcy proceedings as a Debtor-In-Possession of these various oil and gas assets. Petro purchased these assets for cash consideration of $2,000,000 as well as a 25% non-managing membership interest in Petro. We engaged Energy Source Advisors to renew a number of the leases acquired in the Metro purchase and to lease additional acreage. As a result of the asset purchase from Metro and the completion of the additional lease renewals and additional acreage purchases, we obtained a total of 115,000 gross (85,000 net acres) of leases, having unproven reserves at the time of acquisition, in the Mississippi Lime in Southeast Kansas for total cost of $12.2 million.

On April 23, 2013, the Company executed and consummated a securities purchase agreement by and among the Company, Petro, and the investors in Petro (the "*Investors*"), namely, the holders of outstanding secured promissory notes of Petro (the "*Notes*"), and those holding membership interests in Petro (the "*Membership Interests*", and, together with the Notes, the "*Acquired Securities*") sold by Petro (the "*Share Exchange*"). In the Share Exchange, the Investors exchanged their Acquired Securities for 591,021,011 newly issued shares of the Company's common stock. Upon completion of the Share Exchange, Petro became the Company's wholly owned subsidiary.

As a result of the Share Exchange, the Company acquired 100% of the membership units of Petro and consequently, control of the business and operations of Petro. Under generally accepted accounting principles in the United States ("*U.S. GAAP*"), because Petro's former members and note holders held 80% of the issued and outstanding shares of the Company as a result of the Share Exchange, Petro is deemed the accounting acquirer while the Company remains the legal acquirer. Petro adopted the fiscal year of the Company. Prior to the Share Exchange, all historical financial statements presented are those of Petro. The equity of the Company is the historical equity of Petro, restated to reflect the number of shares issued by the Company in the transaction.

*Acquisition of Interest in Bandolier Energy LLC***.** On May 30, 2014, the Company entered into a Subscription Agreement pursuant to which the Company was issued a 50% interest in Bandolier Energy, LLC ("*Bandolier*") in exchange for a capital contribution of $5.0 million (the "*Bandolier Acquisition*"). In connection with the Bandolier Acquisition, the Company has the right to appoint a majority of the board of managers of Bandolier. The Company's Executive Chairman is a manager of, and investor in, Pearsonia West Investment Group, LLC ("*PWIG*"), a special purpose vehicle formed for the purpose of investing in Bandolier with the Company and Ranger Station, LLC ("*Ranger Station*"). Concurrently with the Bandolier Acquisition, PWIG was issued a 44% interest in Bandolier for cash consideration of $4.4 million, and Ranger Station was issued a 6% interest in Bandolier for cash consideration of $600,000. In connection with PWIG's investment in Bandolier, the Company and PWIG entered into an agreement, dated May 30, 2014, granting the members of PWIG an option, exercisable at any time prior to May 30, 2017, to exchange their pro rata share of the Bandolier membership interests for shares of the Company's common stock, at a price of $0.08 per share, subject to adjustment (the "*Option*"). The Option, if fully exercised, would result in the Company issuing 55,000,000 shares of its common stock, or 6% to the members of PWIG.

The Company has operational control along with a 50% ownership interest in Bandolier. As a result, the Company consolidates Bandolier. The remaining 50% non–controlling interest represents the equity investment from PWIG and Ranger Station. The Company will allocate the proportionate share of the net operating income/loss to both the Company and the non-controlling interest.

Subsequent to the initial capitalization of Bandolier, Bandolier acquired for $8,712,893, less a $407,161 claw back, all of the issued and outstanding equity of Spyglass Energy Group, LLC ("*Spyglass*"), the owner of oil and gas leases, leaseholds, lands, and options and concessions thereto located in Osage County, Oklahoma. Spyglass controls a significant contiguous oil and gas acreage position in Northeastern Oklahoma, consisting of approximately 106,880 acres, with substantial original oil in place, stacked reservoirs, as well as exploratory and development opportunities that can be accessed through both horizontal and vertical drilling. Significant infrastructure is already in place including 32 square miles of 3D seismic, 3 phase power, a dedicated sub-station as well as multiple oil producing horizontal wells.

As a result of Bandolier's subsequent acquisition of Spyglass, the Company has both proven developed and proven undeveloped oil and gas assets. On September 17, 2014, Spyglass has received from the Osage Minerals Counsel at a duly called meeting in Pawhuska, Oklahoma, an extension to its 2014 well commitment due under its concession agreement to extend the time to drill four wells until December 31, 2015.

The Company recorded the purchase of Spyglass using the acquisition method of accounting as specified in *ASC 805 "Business Combinations."* This method of accounting requires the acquirer to (i) record purchase consideration issued to sellers in a business combination at fair value on the date control is obtained, (ii) determine the fair value of any non-controlling interest, and (iii) allocate the purchase consideration to all tangible and intangible assets acquired and liabilities assumed based on their acquisition date fair values. Further, the Company commenced reporting the results of Spyglass on a consolidated basis with those of the Company effective upon the date of the acquisition.

Recent Developments

Change in Personia West Concession. On July 31, 2015, the Company received formal notice from the Osage Mineral Council that the new concession terms for the Pearsonia West Concession ("*Pearsonia West*") are effective and formalized. Pearsonia West is a 106,500 contiguous acre position in Osage County, Oklahoma which the Company owns a controlling interest in through its investment in Bandolier Energy LLC, whole owner of the concession.

The new terms allow for vertical drilling obligations to hold the concession which previously had horizontal drilling obligations. This provides a significant cost savings to the Company and preserves potential control of its core asset until 2018, assuming the negotiated obligations are met. Previously, the concession required 11 horizontal wells to be drilled by the end of 2015 with the concession terminating in the event these wells were not drilled. The estimated cost of this obligation was approximately $22.1 million.

Pursuant to the new terms, assuming completion costs of $300,000 per vertical well, the drilling obligations only require capital expenditures of: $1.8 million in 2016, $2.7 million in 2017, and $3.6 million in 2018, collectively $8.1 million to hold the entire concession. This represents a cost savings to the Company of approximately $14.0 million while gaining an extra three years of potential control.

The Company is currently exploring multiple options for development for the Pearsonia Concession including entertaining inquiries from industry and joint venture partners.

Termination of Renzhi MOU. On July 9, 2014 the Company and Sichuan Renzhi Oilfield Technology Services Co. Ltd., a corporation incorporated under the laws of The People's Republic of China and traded on the Shenzhen Stock Exchange ("*Renzhi*") entered into a memorandum of understanding ("*MOU*") for the sale of one of the Company's wholly owned subsidiaries to Renzhi and the joint development by the Company and Renzhi of oil and gas technology and properties (collectively, the "*Transactions*"). As of June 30, 2015, the Company has ceased all discussions and negotiations with Renzhi, including discussions regarding the completion of the Transactions contemplated by the MOU.

Approval of Reverse Stock Split. At its 2015 annual meeting of stockholders held on July 8, 2015, stockholders approved resolution to authorize the Company's Board of Directors, in its sole and absolute discretion, without further action of the stockholders, to amend our Certificate of Incorporation to (i) implement a reverse stock split of our common stock at a ratio of not less than 1-for-2, and not greater than 1-for-250, within one year from the date of the annual meeting, with the exact ratio to be determined by the Board of Directors (the "*Reverse Split*"); and (ii) immediately following the Reverse Split, increase the total number of authorized shares of our Common Stock to 100.0 million. As of August 13, 2015, the Company has not formally applied for the reverse stock split.

Acquisition of Havelide Assets. On February 18, 2015, Petro Spring I, LLC ("*Petro Spring I*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Havelide Purchase Agreement*") to purchase substantially all of the assets of Havelide GTL LLC ("*Havelide*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Havelide to produce a gasoline-like liquid and high-purity hydrogen from natural gas, at low temperature and at low pressure (the "*Havelide Assets*"). The purchase of the Havelide Assets was consummated on February 27, 2015. Havelide was founded by Stephen Boyd, who joined the Company as its Chief Technology Officer under the terms of an Employment Agreement dated February 18, 2015.

Under the terms of the Havelide Purchase Agreement, in consideration for the Havelide Assets, the Company issued to Havelide 13,333,333 shares of common stock of the Company and a warrant to purchase an additional 26,666,667 shares of common stock at an exercise price of $0.25 per share. The shares of the Company's common stock were valued at approximately $520,000 based on the closing price of the Company's common stock on February 27, 2015.

The Company computed the economic benefit of the above warrant grant as of February 27, 2015 utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.039; Exercise price of $0.25; expected volatility of 176%; and a discount rate of 1.50%. The grant date fair value was $923,685.

The Company recorded the Havelide assets based on the fair value of the common stock and warrants $1,443,685 and allocated the purchase price to the intangible assets purchased.

Acquisition of Coalthane Assets. On February 18, 2015, Petro Spring II, LLC ("*Petro Spring II*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Coalthane Purchase Agreement*") to purchase substantially all of the assets of Coalthane Tech LLC ("*Coalthane*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Coalthane to reduce the methane from coal mines and other wells (the "*Coalthane Assets*"). The purchase of the Coalthane Assets was consummated on February 27, 2015. Under the terms of the Coalthane Purchase Agreement, in consideration for the Coalthane Assets, the Company issued to Coalthane 20,000,000 shares of common stock of the Company. The shares of the Company's common stock were valued at approximately $780,000 based on the closing price of the Company's common stock on February 27, 2015. The Company recorded the Coalthane Assets based on the fair value of the common stock $780,000 and allocated the purchase price to the intangible assets purchased.

The above acquisitions reflect the increased focus on technology solutions in an effort to diversify our business amid a challenging oil price environment. We believe the patents acquired can potentially be licensed or sold for a profit.

Strategy

Our business and operations strategy is to acquire working interests in oil and gas producing areas. We believe such opportunities exist domestically and internationally. We also believe that these opportunities have considerable future potential for the development of proven oil and gas reserves. Such new reserves might come from the development of existing but as yet undeveloped and/or unproved reserves as well as from future success in exploration.

The execution of our strategy is dependent on obtaining necessary working capital. While no assurances can be given, in the event management is able to obtain additional working capital, we plan to acquire high-quality oil and gas properties, primarily "proved producing and proved undeveloped reserves." We will also explore low-risk development drilling and work-over opportunities. While management continues to pursue additional working capital, in light of the challenging oil price environment, we are currently in the process of evaluating all options for the Company, including curtailing oil and gas operations, and increasing focus on our technology initiatives. In addition, we are exploring farm in and joint venture opportunities for our oil and gas assets, as well as exit opportunities through an outright sale. No assurances can be given that management will be successful.

Competition

We operate in a highly competitive environment. We compete with major and independent oil and natural gas companies, many of whom have financial and other resources substantially in excess of those available to us. These competitors may be better positioned to take advantage of industry opportunities and to withstand changes affecting the industry, such as fluctuations in oil and natural gas prices and production, the availability of alternative energy sources and the application of government regulation.

Compliance with Government Regulation

The availability of a ready market for future oil and gas production from possible U.S. assets depends upon numerous factors beyond our control. These factors may include, amongst others, regulation of oil and natural gas production, regulations governing environmental quality and pollution control, and the effects of regulation on the amount of oil and natural gas available for sale, the availability of adequate pipeline and other transportation and processing facilities and the marketing of competitive fuels. These regulations generally are intended to prevent waste of oil and natural gas and control contamination of the environment.

We expect that our sales of crude oil and other hydrocarbon liquids from our future U.S.-based production will not be regulated and will be made at market prices. However, the price we would receive from the sale of these products may be affected by the cost of transporting the products to market via pipeline.

Environmental Regulations

Our U.S. assets are subject to numerous laws and regulations governing the discharge of materials into the environment or otherwise relating to environmental protection. These laws and regulations may require the acquisition of a permit before drilling commences, restrict the types, quantities and concentration of various substances that can be released into the environment in connection with drilling and production activities, limit or prohibit drilling activities on certain lands within wilderness, wetlands and other protected areas, require remedial measures to mitigate pollution from former operations, such as pit closure and plugging abandoned wells, and impose substantial liabilities for pollution resulting from production and drilling operations. Public interest in the protection of the environment has increased dramatically in recent years. The worldwide trend of more expansive and stricter environmental legislation and regulations applied to the oil and natural gas industry could continue, resulting in increased costs of doing business and consequently affecting profitability. To the extent laws are enacted or other governmental action is taken that restricts drilling or imposes more stringent and costly waste handling, disposal and cleanup requirements, our business and prospects could be adversely affected.

Operating Hazards and Insurance

The oil and natural gas business involves a variety of operating hazards and risks such as well blowouts, craterings, pipe failures, casing collapse, explosions, uncontrollable flows of oil, natural gas or well fluids, fires, formations with abnormal pressures, pipeline ruptures or spills, pollution, releases of toxic gas and other environmental hazards and risks. These hazards and risks could result in substantial losses to us from, among other things, injury or loss of life, severe damage to or destruction of property, natural resources and equipment, pollution or other environmental damage, clean-up responsibilities, regulatory investigation and penalties and suspension of operations.

In accordance with customary industry practices, we expect to maintain insurance against some, but not all, of such risks and losses. There can be no assurance that any insurance we obtain would be adequate to cover any losses or liabilities. We cannot predict the continued availability of insurance or the availability of insurance at premium levels that justify its purchase. The occurrence of a significant event not fully insured or indemnified against could materially and adversely affect our financial condition and operations.

Pollution and environmental risks generally are not fully insurable. The occurrence of an event not fully covered by insurance could have a material adverse effect on our future financial condition. If we were unable to obtain adequate insurance, we could be forced to participate in all of our activities on a non-operated basis, which would limit our ability to control the risks associated with oil and natural gas operations.

Research and Development

Previously, we did not have any research and development policies in place. We formed Petro Spring, LLC, a wholly owned subsidiary, on December 12, 2013, to begin to focus on technology solutions related to the oil and gas industry. During the year ended April 30, 2015, we purchased the Havelide and Coalthane Assets. We are currently trying to determine a monetization strategy for these assets.

Employees

At April 30, 2015 we employed four employees.

Geographical Area of the Company's Business

The principal market that we compete in is the North American energy market, specifically the North American oil market. The Company is currently contemplating expansion in to international energy markets.

ITEM 1A. RISK FACTORS

You should carefully consider the following risk factors, in addition to the other information set forth in this Report, in connection with any investment decision regarding shares of our common stock. Each of these risk factors could adversely affect our business, operating results and financial condition, as well as adversely affect the value of an investment in our common stock. Some information in this Report may contain "forward-looking" statements that discuss future expectations of our financial condition and results of operation. The risk factors noted in this section and other factors could cause our actual results to differ materially from those contained in any forward-looking statements.

Risks Relating to Our Business

Our results of operations as well as the carrying value of our oil and gas properties are substantially dependent upon the prices of oil and natural gas, which have substantially declined since June 2014. In the event such decline continues for a prolonged period of time our results of operations could be adversely affected, and our ability to continue our planned development and acquisition activities could be substantially curtailed.

Currently, our costs to maintain our unproved properties include non-producing leasehold, geological and geophysical costs associated with leasehold or drilling interests and in process exploration drilling costs. In the future, our results of operations and the ceiling on the carrying value of our oil and gas properties will be dependent on the estimated present value of proved reserves, which depends on the prevailing prices for oil and gas, which have substantially declined since July 2014. Various factors beyond our control affect prices of oil and natural gas, including political and economic conditions; worldwide and domestic supplies of and demand for oil and gas; weather conditions; the ability of the members of the Organization of Petroleum Exporting Countries to agree on and maintain price and production controls; political instability or armed conflict in oil-producing regions; the price of foreign imports; the level of consumer demand; the price and availability of alternative fuels; and changes in existing federal and state regulations. In the event the recent substantial decline in oil and gas prices continues for a prolonged period of time our operations, financial condition could be materially and adversely affected, and the level of development and exploration expenditures could be substantially curtailed. These conditions could ultimately result in a reduction in the carrying value of our oil and gas properties. A continued decline in prices for oil and gas would also likely cause a reduction in the amount of any reserves and, in turn, in the amount that we might be able to borrow to fund development and acquisition activities.

Our independent auditors have expressed doubt about our ability to continue as a going concern, which may hinder our ability to obtain future financing and force us to cease operations.

In their report dated August 13, 2015, our independent auditors stated that our financial statements for the years ended April 30, 2015 and 2014 were prepared assuming that we would continue as a going concern. Our ability to continue as a going concern is an issue because to date, we have incurred net operating losses. We anticipate that we will continue to experience net operating losses.

We recently acquired certain assets unrelated to our traditional oil and gas properties. The acquired technologies are in development stage, have not been proven, and require additional capital to develop. We may not be able to successfully raise sufficient capital or otherwise successfully develop these technology assets.

We recently purchased certain assets to produce a gasoline-like liquid and high-purity hydrogen from natural gas, at low temperature and at low pressure, as well as to reduce the methane from coal mines and other wells. The purchased assets, while consistent with the Company's business objective of acquiring leading edge technologies, are in the development stage, and require additional capital or a strategic partner in order to fully develop. We are currently developing a strategy to monetize these assets through potential licensing, commercialization or an outright sale. While management currently intends to seek financing or a development partner in order to fully develop the purchased assets, no assurances can be given that the Company will be able to successfully raise sufficient capital to develop the assets, or otherwise find a strategic or development partner to develop the same. In addition, the purchased assets are in the development stage and are unproven, and no assurances can be given that we will be able to commercialize the assets.

We have a limited operating history and if we are not successful in continuing to grow our business, then we may have to scale back or even cease our ongoing business operations.

We have received a limited amount of revenues from operations and have limited assets. To date, we have acquired interests in oil and gas properties, but have not established a project on any of our properties that generates commercial revenues and there can be no assurance that we will ever operate profitably. We have a limited operating history. Our success is significantly dependent on a successful acquisition, drilling, completion and production program. Our operations will be subject to all the risks inherent in the establishment of a developing enterprise and the uncertainties arising from the absence of a significant operating history. We may be unable to locate recoverable reserves or operate on a profitable basis. We are in the exploration stage and potential investors should be aware of the difficulties normally encountered by enterprises in the exploration stage. If our business plan is not successful, and we are not able to operate profitably, investors may lose some or all of their investment.

As of April 30, 2015 and 2014, the Company did not have any drilling, exploratory or development activity.

Because we are small and do not have much capital, we may have to limit our exploration activity which may result in a loss of your investment.

Because we are small and do not have much capital, we must limit our exploration activity. As such we may not be able to complete an exploration program that is as thorough as we would like. In that event, existing reserves may go undiscovered. Without finding reserves, we cannot generate revenues and you will lose your investment.

We had cash and cash equivalents at April 30, 2015 of $1,010,543. At April 30, 2015, we had a working capital of approximately $0.4 million. Management believes that the current level of working capital is not sufficient to maintain current operations in Kansas, Missouri and Oklahoma, as well as the planned added operations for the next 12 months. Management intends to continue to raise capital through debt and equity instruments.

Exploratory drilling is a speculative activity that may not result in commercially productive reserves and may require expenditures in excess of budgeted amounts.

Drilling activities are subject to many risks, including the risk that no commercially productive oil or gas reservoirs will be encountered. There can be no assurance that new wells drilled by us or in which we have an interest 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 also 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. Our drilling operations may be curtailed, delayed or canceled as a result of a variety of factors, many of which are beyond our control, including economic conditions, mechanical problems, pressure or irregularities in formations, title problems, weather conditions, compliance with governmental requirements and shortages in or delays in the delivery of equipment and services. Such equipment shortages and delays sometimes involve drilling rigs where inclement weather prohibits the movement of land rigs causing a high demand for rigs by a large number of companies during a relatively short period of time. Our future drilling activities may not be successful. Lack of drilling success could have a material adverse effect on our financial condition and results of operations.

Our operations are also subject to all of the hazards and risks normally incident to the development, exploitation, production and transportation of, and the exploration for, oil and gas, including unusual or unexpected geologic formations, pressures, down hole fires, mechanical failures, blowouts, explosions, uncontrollable flows of oil, gas or well fluids and pollution and other environmental risks. These hazards could result in substantial losses to us due to injury and loss of life, severe damage to and destruction of property and equipment, pollution and other environmental damage and suspension of operations. Insurance for wells in which we participate is generally obtained, although there can be no assurances that such coverage will be sufficient to prevent a material adverse effect to us if any of the foregoing events occur.

We may not identify all risks associated with the acquisition of oil and natural gas properties, or existing wells, and any indemnifications we receive from sellers may be insufficient to protect us from such risks, which may result in unexpected liabilities and costs to us.

Our business strategy focuses on acquisitions of undeveloped and unproven oil and natural gas properties that we believe are capable of production. We may make additional acquisitions of undeveloped oil and gas properties from time to time, subject to available resources. Any future acquisitions will require an assessment of recoverable reserves, title, future oil and natural gas prices, operating costs, potential environmental hazards, potential tax and other liabilities and other factors.

Generally, it is not feasible for us to review in detail every individual property involved in a potential acquisition. In making acquisitions, we generally focus most of our title and valuation efforts on the properties that we believe to be more significant, or of higher-value. Even a detailed review of properties and records may not reveal all existing or potential problems, nor would it permit us to become sufficiently familiar with the properties to assess fully their deficiencies and capabilities. In addition, we do not inspect in detail every well that we acquire. Potential problems, such as deficiencies in the mechanical integrity of equipment or environmental conditions that may require significant remedial expenditures, are not necessarily observable even when we perform a detailed inspection. Any unidentified problems could result in material liabilities and costs that negatively impact our financial condition and results of operations.

Even if we are able to identify problems with an acquisition, the seller may be unwilling or unable to provide effective contractual protection or indemnity against all or part of these problems. Even if a seller agrees to provide indemnity, the indemnity may not be fully enforceable or may be limited by floors and caps, and the financial wherewithal of such seller may significantly limit our ability to recover our costs and expenses. Any limitation on our ability to recover the costs related any potential problem could materially impact our financial condition and results of operations.

We are/will be subject to various operating and other casualty risks that could result in liability exposure or the loss of production and revenues.

Our oil and gas business involves (or will involve as operations activities increase) a variety of operating risks, including, but not limited to, unexpected formations or pressures, uncontrollable flows of oil, gas, brine or well fluids into the environment (including groundwater contamination), blowouts, fires, explosions, pollution and other risks, any of which could result in personal injuries, loss of life, damage to properties and substantial losses. Although we carry insurance at levels that we believe are reasonable, we are not fully insured against all risks. We do not carry business interruption insurance. Losses and liabilities arising from uninsured or under-insured events could have a material adverse effect on our financial condition and operations.

The cost of operating wells is often uncertain. Our drilling operations may be curtailed, delayed or canceled as a result of numerous factors, including title problems, weather conditions, compliance with governmental requirements and shortages or delays in the delivery of equipment. Furthermore, completion of a well does not assure a profit on the investment or a recovery of drilling, completion and operating costs.

We face significant competition, and many of our competitors have resources in excess of our available resources.

The oil and gas industry is highly competitive. We encounter competition from other oil and gas companies in all areas of our operations, including the acquisition of producing properties and exploratory prospects and sale of crude oil, natural gas and natural gas liquids. Our competitors include major integrated oil and gas companies and numerous independent oil and gas companies, individuals and drilling and income programs. Many of our competitors are large, well established companies with substantially larger operating staffs and greater capital resources than us. Such companies may be able to pay more for productive oil and gas properties and exploratory prospects and to define, evaluate, bid for and purchase a greater number of properties and prospects than our financial or human resources permit. Our ability to acquire additional properties and to discover reserves in the future will depend upon our ability to evaluate and select suitable properties and to consummate transactions in this highly competitive environment.

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

Our ability to successfully acquire additional properties, to discover and develop reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will depend on developing and maintaining close working relationships with industry participants and on our ability to select and evaluate suitable properties and to consummate transactions in a highly competitive environment. These realities are subject to change and may impair our ability to grow.

To develop our business, we will endeavor to use the business relationships of our management to enter into strategic relationships, which may take the form of joint ventures with other private parties and contractual arrangements with other oil and gas companies, including those that supply equipment and other resources that we will use in our business. We may not be able to establish these strategic 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.

We may not have satisfactory title or rights to all of our current or future properties.

Prior to acquiring undeveloped properties, our contract land professionals review title records or other title review materials relating to substantially all of such properties. The title investigation performed by us prior to acquiring undeveloped properties is thorough, but less rigorous than that conducted prior to drilling, consistent with industry standards. Prior to drilling we obtain a title opinion on the drill site. However, a title opinion does not necessarily ensure satisfactory title. We believe we have satisfactory title to our producing properties in accordance with standards generally accepted in the oil and gas industry. Our properties are subject to customary royalty interests, liens incident to operating agreements, liens for current taxes and other burdens, which we believe do not materially interfere with the use of or affect the value of such properties. In the normal course of our business, title defects and lease issues of varying degrees arise, and, if practicable, reasonable efforts are made to cure such defects and issues.

We may be responsible for additional costs in connection with abandonment of properties.

We are responsible for payment of plugging and abandonment costs on our oil and gas properties pro rata to our working interest. There can be no assurance that we will be successful in avoiding additional expenses in connection with the abandonment of any of our properties. In addition, abandonment costs and their timing may change due to many factors, including actual production results, inflation rates and changes in environmental laws and regulations.

Governmental regulations could adversely affect our business.

Our business is subject to certain federal, state and local laws and regulations on taxation, the exploration for, and development, production and marketing of, oil and natural gas, and environmental and safety matters. Many laws and regulations require drilling permits and govern the spacing of wells, rates of production, prevention of waste and other matters. These laws and regulations have increased the costs of our operations. In addition, these laws and regulations, and any others that are passed by the jurisdictions where we have production, could limit the total number of wells drilled or the allowable production from successful wells, which could limit our revenues.

Laws and regulations relating to our business frequently change, and future laws and regulations, including changes to existing laws and regulations, could adversely affect our business.

In particular and without limiting the foregoing, various tax proposals currently under consideration could result in an increase and acceleration of the payment of federal income taxes assessed against independent oil and natural gas producers, for example by eliminating the ability to expense intangible drilling costs, removing the percentage depletion allowance and increasing the amortization period for geological and geophysical expenses. Any of these changes would increase our tax burden.

All states in which the Company owns leases require permits for drilling operations, drilling bonds and reports concerning operations and impose other requirements relating to the exploration for and production of oil and gas. Such states also have statutes or regulations addressing conservation matters, including provisions for the unitization or pooling of oil and gas properties, the establishment of maximum rates of production from wells and the regulation of spacing, plugging and abandonment of such wells. The statutes and regulations of these states limit the rate at which oil and gas can be produced from our properties. However, we do not believe we will be affected materially differently by these statutes and regulations than any other similarly situated oil and gas company.

Environmental liabilities could adversely affect our business.

In the event of a release of oil, natural gas or other pollutants from our operations into the environment, we could incur liability for any and all consequences of such release, including personal injuries, property damage, cleanup costs and governmental fines. We could potentially discharge these materials into the environment in several ways, including:

- from a well or drilling equipment at a drill site;
- leakage from gathering systems, pipelines, transportation facilities and storage tanks;
- damage to oil and natural gas wells resulting from accidents during normal operations; and
- blowouts, cratering and explosions.

In addition, because we may acquire interests in properties that have been operated in the past by others, we may be liable for environmental damage, including historical contamination, caused by such former operators. Additional liabilities could also arise from continuing violations or contamination that we have not yet discovered relating to the acquired properties or any of our other properties.

To the extent we incur any environmental liabilities, it could adversely affect our results of operations or financial condition.

Climate change legislation, regulation and litigation could materially adversely affect us.

There is an increased focus by local, state and national regulatory bodies on greenhouse gas ("*GHG*") emissions and climate change. Various regulatory bodies have announced their intent to regulate GHG emissions, including the United States Environmental Protection Agency, which promulgated several GHG regulations in 2010 and late 2009. As these regulations are under development or are being challenged in the courts, we are unable to predict the total impact of these potential regulations upon our business, and it is possible that we could face increases in operating costs in order to comply with GHG emission legislation.

Passage of legislation or regulations that regulate or restrict emissions of GHG, or GHG-related litigation instituted against us, could result in direct costs to us and could also result in changes to the consumption and demand for natural gas and carbon dioxide produced from our oil and natural gas properties, any of which could have a material adverse effect on our business, financial position, results of operations and prospects.

Risks Relating to Our Financial Position and Capital Requirements

We currently require additional capital to execute our business plan and continue as a going concern. If we are unable to obtain funding, our business operations will be harmed, and we may not be able to continue as a going concern.

We will require additional capital to continue to operate our business, further expand our exploration and development programs, and continue as a going concern. We may be unable to obtain additional capital required. Furthermore, inability to maintain capital may damage our reputation and credibility with industry participants. Our inability to raise additional funds when required will have a negative impact on our consolidated results of operations and financial condition.

Future acquisitions and future exploration, development, production, leasing activities and marketing activities, as well as our administrative requirements (such as salaries, insurance expenses and general overhead expenses, as well as legal compliance costs and accounting expenses) will require a substantial amount of additional capital and cash flow.

We may pursue sources of additional capital through various financing transactions or arrangements, including joint venturing of projects, debt financing, equity financing or other means. We may not be successful in raising the capital needed and we may not obtain the capital we require by other means. This will adversely affect our consolidated financial results, financial condition and our ability to continue as a going concern.

We have a history of losses, which may continue, which may negatively impact our ability to achieve our business objectives and continue as a going concern.

We incurred a net loss of $6,344,579 for the year ended April 30, 2015. To date, we have acquired interests in oil and gas properties, but have not established a project on any of our properties that generates commercial revenues. We cannot assure you that we can achieve or sustain profitability on a quarterly or annual basis in the future. Our operations are subject to the risks and competition inherent in the establishment of a business enterprise. There can be no assurance that future operations will be profitable. Revenues and profits, if any, will depend upon various factors, including whether we will be able to continue expansion of our revenue. We may not achieve our business objectives and the failure to achieve such goals would have an adverse impact on us.

As our Kansas, Missouri and Oklahoma properties are in early stages of development, we may not be able to establish commercial reserves on these projects. Exploration for commercial reserves of oil is subject to a number of risk factors. Few of the properties that are explored are ultimately developed into producing oil and/or gas fields. As of April 30, 2015, only a portion of the reserves associated with the Missouri Marmaton River and Grassy Creek projects are classified as developed and production activities have been suspended since September 2011, and, although the Bandolier Acquisition provided us with both proven developed and proven undeveloped oil and gas assets, we are still in need of substantial capital to commence drilling operations. Management determined that these properties were impaired and continues to seek funding so that the Company can consider future development of its heavy oil properties. We may not be able to establish commercial reserves and it is therefore considered to be an exploration stage company.

Our results of operations as well as the carrying value of our oil and gas properties are substantially dependent upon the prices of oil and natural gas, which historically have been volatile and are likely to continue to be volatile.

Our future financial condition, access to capital, cash flows and results of operations depend upon the prices we receive for our oil and natural gas. Historically, oil and natural gas prices have been volatile and are subject to fluctuations in response to changes in supply and demand, market uncertainty and a variety of additional factors that are beyond our control. Factors that affect the prices we receive for our oil and natural gas include:

- the level of domestic production;
- the availability of imported oil and natural gas;
- political and economic conditions and events in foreign oil and natural gas producing nations, including embargoes, continued hostilities in the Middle East and other sustained military campaigns, and acts of terrorism or sabotage;
- the ability of members of OPEC to agree to and maintain oil price and production controls;
- the cost and availability of transportation and pipeline systems with adequate capacity;
- the cost and availability of other competitive fuels;
- fluctuating and seasonal demand for oil, natural gas and refined products;
- concerns about global warming or other conservation initiatives and the extent of governmental price controls and regulation of production;
- weather;
- foreign and domestic government relations; and
- overall economic conditions, particularly the recent worldwide economic slowdown, which has put downward pressure on oil and natural gas prices and demand.

Any prolonged decline in oil or gas prices could have a material adverse effect on our operations, financial condition, and level of development and exploration expenditures and could result in a reduction in the carrying value of our oil and gas properties.

Our internal controls over financial reporting have been determined to not be effective, which could have a significant and adverse effect on our business.

Section 404 of the Sarbanes-Oxley Act of 2002 and the related rules and regulations of the SEC, which we collectively refer to as "Section 404," require us to evaluate our internal controls over financial reporting to allow management to report on those internal controls as of the end of each year. Effective internal controls are necessary for us to produce reliable financial reports and are important in our effort to prevent financial fraud. In the course of our Section 404 evaluations, we have identified conditions that resulted in material weaknesses and we have concluded that enhancements, modifications or changes to our internal controls are necessary or desirable. Implementing any such matters would divert the attention of our management, could involve significant costs, and may negatively impact our results of operations.

We note that there are inherent limitations on the effectiveness of internal controls, as they cannot prevent collusion, management override or failure of human judgment. If we fail to maintain an effective system of internal controls or if management or our independent registered public accounting firm were to discover material weaknesses in our internal controls, we may be unable to produce reliable financial reports or prevent fraud, and it could harm our financial condition and results of operations, result in a loss of investor confidence and negatively impact our share price.

Risks Related to Our Common Stock

The liquidity, market price and volume of our stock are volatile.

Our common stock is not traded on any exchange, but is currently quoted on the OTC Markets. The liquidity of our common stock may be adversely affected, and purchasers of our common stock may have difficulty selling our common stock, particularly if our common stock does not continue to be quoted on the OTC Markets on another recognized quotation services or exchange.

The trading price of our common stock could be subject to wide fluctuations in response to quarter-to-quarter variations in our operating results, announcements of our drilling results and other events or factors. In addition, the U.S. stock markets have from time to time experienced extreme price and volume fluctuations that have affected the market price for many companies and which often have been unrelated to the operating performance of these companies. These broad market fluctuations may adversely affect the market price of our securities.

Our stock is categorized as a penny stock. Trading of our stock may be restricted by the Security and Exchange Commission's penny stock regulations, which may limit a stockholder's ability to buy and sell our stock.

Our stock is categorized as a "penny stock." The Securities and Exchange Commission ("*SEC*") has adopted Rule 15g-9 which generally defines "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 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.

FINRA sales practice requirements 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. The FINRA requirements make it more difficult for broker-dealers to recommend that their customers buy our common stock, which may limit your ability to buy and sell our stock and have an adverse effect on the market for our shares.

We have never paid dividends on our capital stock, and we do not anticipate paying any cash dividends in the foreseeable future.

We have paid no cash dividends on any of our classes of capital stock to date and currently intend to retain our future earnings, if any, to fund the development and growth of our business. As a result, capital appreciation, if any, of our common stock will be your sole source of gain for the foreseeable future. Any payment of cash dividends will depend upon our financial condition, contractual restrictions, financing agreement covenants, solvency tests imposed by corporate law, results of operations, anticipated cash requirements and other factors and will be at the discretion of our board of directors. Furthermore, we may incur indebtedness that may severely restrict or prohibit the payment of dividends.

The market price for our shares may decline following the implementation of a reverse split.

At our 2015 annual meeting of stockholders, our shareholders gave the Board of Directors the authority to effect a reverse split of our authorized, and issued and outstanding shares of common stock at a ratio of not less than 1-for-2, and not greater than 1-for-250, with the exact ratio to be set by the Board. In the event we affect a reverse split, no assurances can be given that the reverse split will have a long-term positive effect on the market price of our common stock. The market price of our common stock is based on factors that may be unrelated to the number of shares outstanding. These factors include our performance, general economic and market conditions and other factors, many of which are beyond our control. The market price for our post-split shares may not rise or remain constant in proportion to the reduction in the number of pre-split shares outstanding before the reverse split. Accordingly, the total market capitalization of our common stock after a reverse split may be lower than the total market capitalization before the reverse split.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Oklahoma

On May 30, 2014, the Company, entered into a Subscription Agreement, pursuant to which the Company purchased a 50% interest in Bandolier. Bandolier's oil and gas assets are located in in Osage County, Oklahoma and comprise a significant contiguous oil and gas acreage position in Northeastern Oklahoma, approximately 106,880 acres, with substantial original oil in place, stacked reservoirs, as well as exploratory and development opportunities that can be accessed through both horizontal and vertical drilling. Significant infrastructure is already in place including 32 square miles of 3D seismic, 3 phase power, a dedicated sub-station as well as multiple oil producing horizontal wells. As a result of this transaction, the Company capitalized $2,460,632 in proved developed oil and gas assets and $5,921,641 in proven undeveloped oil and gas assets. During the year ended April 30, 2015, Bandolier purchased additional oil and gas assets totaling $369,594. Management performed a ceiling test as of April 30, 2015, and recognized an impairment of $1,246,975 on the Oklahoma property.

Kansas

Through proceeds received from the issuance of various promissory notes, on February 1, 2012 Petro purchased various interests in oil and gas leases, wells, records, data and related personal property located along the Mississippi Lime play in the state of Kansas from Metro, a Louisiana company and other interrelated entities through a court approved order as Metro was undergoing Chapter 11 Bankruptcy proceedings as a Debtor-In-Possession of these various oil and gas assets. Petro purchased these assets for cash considerations of $2.0 million as well as a 25% non-managing membership interest in the Company. The Company engaged Energy Source Advisors to renew a number of the leases acquired in the Metro purchase and to lease additional acreage. As a result of the asset purchase from Metro and the completion of the additional lease renewals and additional acreage purchases, the Company obtained a total of 115,000 gross (85,000 net acres) of leases, having unproven reserves at the time of acquisition, in the Mississippi Lime play in Southeast Kansas for total cost of $12.2 million. The Company also acquired over 60 square miles of proprietary 3D seismic data over prospective Mississippi Lime acreage in the same area. During the year ended April 30, 2014, management engaged an independent third party to test the Kansas assets for impairment. Throughout the year, management was not aware of any impairment indicators, but during the annual impairment test, the third party specialist concluded that the Kansas assets were impaired by $4,638,973, principally due to comparable acreage values. No further impairment was recorded on these assets during the year ended April 30, 2015.

Missouri

At April 30, 2015, the Company's Missouri lease holdings totaled 389 gross acres with 98.4% working interest on its Grassy Creek asset. The Company no longer has any leasehold positions in Marmaton River. Petro River has engaged a local operating partner to conduct small scale testing through their own funding source on this property and it is anticipated that partner will operate this asset going forward.

Historically, on separate pilot projects at Deerfield, the Company built two 500 barrel of oil per day steam drive production facilities (Marmaton River and Grassy Creek) comprised of 116 production wells, 39 steam injection wells and 14 service and observation wells. Throughout the Deerfield area, the Company has drilled 73 exploration/delineation wells with a 67% success rate.

As of April 30, 2015 and 2014, all Missouri assets were carried at salvage value, since the Company's current business plans do not contemplate raising the necessary capital to develop these properties. The Company is in current discussions with third parties to use the acreage as a testing site for heavy oil solutions with contemplated profit sharing opportunities.

Other

Other property consists primarily of four used steam generators and related equipment that will be assigned to future projects. As of April 30, 2015, management concluded that impairment was not necessary as all other assets were carried at salvage value.

Operational and Project Review

The following table summarizes the costs incurred in oil and gas property acquisition, exploration, and development activities for the Company for the years ended April 30, 2015 and 2014:

Cost	Oklahoma	Kansas	Missouri	Montana	Other	Total
Balance May 1, 2013	$ -	$ 12,329,098	$ 918,991	$ 75,000	$ 100,000	13,423,089
Additions	-	327,002	-	-	-	327,002
Depreciation, depletion and amortization	-	(94,526)	-		-	(94,526)
Impairment of oil and gas assets		(4,638,973)		(75,000)		(4,713,973)
Balance April 30, 2014	-	7,922,601	918,991	-	100,000	8,941,592
Additions	8,751,867	1,747	-	-	-	8,753,614
Impairment of oil and gas assets	(1,246,975)	-	-	-	-	(1,246,975)
Depreciation, depletion and amortization	(569,892)	(121,328)	-	-	-	(691,220)
Balance April 30, 2015	$ 6,935,000	$ 7,803,020	$ 918,991	$ -	$ 100,000	15,757,011

As of April 30, 2014, management engaged a third party to perform an independent study of the oil and gas assets. Management concluded that the Montana assets were impaired by $75,000 and the Kansas assets were impaired by $4,638,973. The Company recorded $4,713,973 impairment to the consolidated statements of operations during the year ended April 30, 2014. For the year ended April 30, 2015, the Company performed a ceiling test and recognized a $1,246,975 impairment on the Oklahoma property.

Oil Wells, Properties, Operations, and Acreage

The following table sets forth the number of oil wells in which we held a working interest as of April 30, 2015 and 2014:

	Producing				Non-	
	April 30, 2015		April 30, 2014		April 30, 2015	
	Gross	Net	Gross	Net	Gross	Net
Kansas	5	2.5	5	2.5	37	34.5
Oklahoma	5	5	-	-	8	8
Missouri (1)	48	48	-	-	9	9
Kentucky (1)	-	-	-	-	-	-
Montana (1)	-	-	-	-	-	-
Texas (1)	-	-	-	-		
Total	**58**	**55.5**	**5**	**2.5**	**54**	**51.5**

(1) We acquired the predecessor assets of Petro River Oil Corporation on April 23, 2014.

The following table sets forth the lease areas we have an interest in, by area, as of April 30, 2015 and 2014:

Project Areas	April 30, 2015		April 30, 2014	
	Gross	Net	Gross	Net
Kansas	71,605	50,703	105,277	80,225
Oklahoma	106,880	106,880		
Missouri (1)	389	371	1,272	1,212
Kentucky (1)	-	-	-	-
Texas (1)	-	-	-	-
Montana (1)	-	-	-	-
Total	178,874	157,954	106,549	81,437

(1) We have no plans for any further material expenditure on these properties as a result of the legal acquiror's prior drilling results and a lack of resources.

Oil and Natural Gas Reserves

Oil and natural gas information is provided in accordance with the United States Financial Accounting Standards Board ("*FASB*") Topic 932 - "Extractive Activities - Oil and Gas".

Petro has approximately 6.9 million in proven oil and gas reserves as of April 30, 2015 as a result of the Bandolier acquisition. The Company had no proven oil and gas reserves as of April 30, 2014. For the year ended April 30, 2015 the reports by Pinnacle Energy Services, LLC ("*Pinnacle*") covered 100% of the Company's oil reserves. The Company did not have any recorded reserves as of April 30, 2014.

Proved oil and natural gas reserves, as defined within SEC Rule 4-10(a)(22) of Regulation S-X, are those quantities of oil and gas, which, by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs, and under existing economic conditions, operating methods and government regulations prior to the time of which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether determinable or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Developed oil and natural gas reserves are reserves that can be expected to be recovered from existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and through installed extraction equipment and infrastructure operational at the time of the reserves estimate is the extraction is by means not involving a well. Estimates of the Company's oil reserves are subject to uncertainty and will change as additional information regarding producing fields and technology becomes available and as future economic and operating conditions change.

Our undeveloped acreage includes leased acres on which wells have not been drilled or completed to a point that would permit the production of commercial quantities of oil and natural gas, regardless of whether or not such acreage is held by production or contains proved reserves. A gross acre is an acre in which we own an interest. A net acre is deemed to exist when the sum of fractional ownership interests in gross acres equals one. The number of net acres is the sum of the fractional interests owned in gross acres.

Net Production, Unit Prices and Costs

The following table presents certain information with respect to our oil and natural gas production and prices and costs attributable to all oil and natural gas properties owned by us for the periods shown.

	For the years ended April 30, 2015 and 2014 and 2013		
	2015	2014	2013
Production volumes:			
Oil (Bbls)	24,347	3,187	1,706
Natural gas (Mcf)	64,917	28,550	19,276
Total (Boe)	35,167	7,946	4,919
Average realized prices:			
Oil (per Bbl)	$ 77.93	$ 93.60	$ 86.70
Natural gas (per Mcf)	$ 2.31	$ 3.10	$ 2.78
Total per Boe	$ 58.22	$ 45.82	$ 40.97
Average production cost:			
Total per Boe	$ 46.04	$ 32.01	$ 39.65

Drilling and Other Exploratory and Development Activities

As of April 30, 2015 and 2014, the Company did not have any drilling, exploratory or development activity.

ITEM 3. LEGALPROCEEDINGS

(a) In January 2010, the Company experienced a flood in its Calgary office premises as a result of a broken water pipe. There was significant damage to the premises rendering them unusable until the landlord had completed remediation. Pursuant to the lease contract, the Company asserted that rent should be abated during the remediation process and accordingly, the Company did not pay any rent after December 2009. During the remediation process, the Company engaged an independent environmental testing company to test for air quality and for the existence of other potentially hazardous conditions. The testing revealed the existence of potentially hazardous mold and the consultant provided specific written instructions for the effective remediation of the premises. During the remediation process, the landlord did not follow the consultant's instructions and correct the potentially hazardous mold situation and subsequently in June 2010 gave notice and declared the premises to be ready for occupancy. The Company re-engaged the consultant to re-test the premises and the testing results again revealed the presence of potentially hazardous mold. The Company determined that the premises were not fit for re-occupancy and considered the landlord to be in default of the lease and the lease terminated.

On January 30, 2014 the landlord filed a Statement of Claim against the Company for rental arrears in the amount aggregating approximately CAD $759,000. On October 20, 2014, the Company filed a summary judgment application stating that the landlord's claim is barred as it was commenced outside the 2-year statute of limitation period under the Alberta Limitations Act. The landlord subsequently filed a cross-application to amend its Statement of Claim to add a claim for loss of prospective rent in an amount of approximately CAD $665,000. The applications were heard on June 25, 2015. The court reserved its decision and there is no specific timeline by which it must render a ruling.

(b) In September 2013, the Company was notified by the Railroad Commission of Texas (the "*Commission*") that the Company was not in compliance with regulations promulgated by the Commission. The Company was therefore deemed to have lost its corporate privileges within the State of Texas and as a result, all wells within the state would have to be plugged. The Commission therefore collected $25,000 from the Company, which was originally deposited with the Commission, to cover a portion of the estimated costs of $88,960 to plug the wells. In addition to the above, the Commission also reserved its right to separately seek any remedies against the Company resulting from its noncompliance. As of August 11, 2015, there is not further update to the issue.

(c) On August 11, 2014, Martha Donelson and John Friend amended their complaint in an existing lawsuit by filing a class action complaint styled: *Martha Donelson and John Friend, et al. v. United States of America, Department of the Interior, Bureau of Indian Affairs and Devon Energy Production, LP, et al.,* Case No. 14-CV-316-JHP-TLW, United States District Court for the Northern District of Oklahoma (the "*Proceeding*"). The plaintiffs added as defendants twenty-seven (27) specifically named operators, including the Company, as well as all Osage County lessees and operators who have obtained a concession agreement, lease or drilling permit approved by the Bureau of Indian Affairs ("*BIA*") in Osage County allegedly in violation of National Environmental Policy Act ("*NEPA*"). Plaintiffs seek a declaratory judgment that the BIA improperly approved oil and gas leases, concession agreements and drilling permits prior to August 12, 2014, without satisfying the BIA's obligations under federal regulations or NEPA, and seek a determination that such oil and gas leases, concession agreements and drilling permits are void *ab initio*. Plaintiffs are seeking damages against the defendants for alleged nuisance, trespass, negligence and unjust enrichment.

On October 7, 2014 Spyglass, along with other defendants, filed a motion to dismiss the August 11, 2014 Proceeding on various procedural and legal arguments. Plaintiffs filed their response to the motion to dismiss on October 27, 2014. Spyglass filed its reply brief on November 10, 2014 and the plaintiffs were granted leave until November 19, 2014 to file a surreply to Splyglass's reply brief. Once the briefing cycle concluded on November 19, 2014, the motion to dismiss became ripe for determination by the court. Oral arguments may be ordered by the court. There is no specific timeline by which the court must render a ruling.

(d) Mega West Energy Missouri Corp. ("*Mega West*"), a wholly owned subsidiary of the Company, is involved in two cases related to oil leases in West Central, Missouri. The first case (*James Long and Jodeane Long v. Mega West Energy Missouri and Petro River Oil Corp.*, case number 13B4-CV00019) is a case for unlawful detainer, pursuant to which the plaintiffs contend that Mega West oil and gas lease has expired and Mega West is unlawfully possessing the plaintiffs real property by asserting that the leases remain in effect. The case was originally filed in Vernon County, Missouri on September 20, 2013. Mega West filed an Answer and Counterclaims on November 26, 2013 and the plaintiffs filed a motion to dismiss the counterclaims. Mega West filed a motion for Change of Judge and Change of Venue and the case was transferred to Barton County. The court granted the motion to dismiss the counterclaims on February 3, 2014. As to the other allegations in the complaint, the matter is still pending.

Mega West filed a second case on October 14, 2014 (*Mega West Energy Missouri Corp. v. James Long, Jodeane Long, and Arrow Mines LLC*, case number 14VE-CV00599). This case is pending in Vernon County, Missouri. Although the two cases are separate, they are interrelated. In the Vernon County case, Mega West has made claims for: (1) replevin for personal property; (2) conversion of personal property; (3) breach of the covenant of quiet enjoyment regarding the lease; (4) constructive eviction of the lease; (5) breach of fiduciary obligation against James Long; (6) declaratory judgment that the oil and gas lease did not terminate; and (7) injunctive relief to enjoin the action pending in Barton County, Missouri. The plaintiffs filed a motion to dismiss on November 4, 2014, and Arrow Mines, LLC filed a motion to dismiss on November 13, 2014. Both motions remain pending, and Mega West will file an opposition to the motions in the near future.

(e) The Company is from time to time involved in legal proceedings in the ordinary course of business. It does not believe that any of these claims and proceedings against it is likely to have, individually or in the aggregate, a material adverse effect on its financial condition or results of operations.

ITEM 4.MINESAFETY DISCLOSURES

Not applicable

PART II

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

Our common shares have traded in the United States on the Over-the-Counter Bulletin Board exchange (OTC) under the symbol "PTRC".

The following table sets forth the quarterly average high and low bid prices per share for our common stock for the two most recently completed fiscal years in the period that ended on April 30, 2015.

Fiscal Year Ended	Common Stock	
	High	Low
April 30, 2015		
First Quarter	$ 0.09	$ 0.04
Second Quarter	$ 0.09	$ 0.03
Third Quarter	$ 0.07	$ 0.01
Fourth Quarter	$ 0.06	$ 0.02
April 30, 2014		
First Quarter	$ 0.225	$ 0.215
Second Quarter	$ 0.035	$ 0.025
Third Quarter	$ 0.09	$ 0.085
Fourth Quarter	$ 0.065	$ 0.063

Holders

As of August 7, 2015, we had 308 holders of record of our registered common stock, and our common stock had a closing bid price of $0.02 per share.

Dividends and Related Policy

We presently intend to retain all earnings, if any, for use in our business operations and accordingly, the Board of Directors (the " *Board*") does not anticipate declaring any cash dividends for the foreseeable future. Any future determination to pay dividends will be at the discretion of the Board and will be contingent upon our financial condition, results of operations, current and anticipated cash needs, restrictions contained in current or future financing instruments, plans for expansion and such other factors as the Board deems relevant. We have not paid any cash dividends on our common stock.

Transfer Agent and Registrar

Our transfer agent is Computershare Investor Services located at 510 Burrard Street, 3rd Floor, Vancouver, British Columbia V6C3B9, Canada. Their telephone number is 604-661-9408.

Recent Sales of Unregistered Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers.

None.

ITEM 6. SELECTEDFINANCIAL DATA

Not applicable.

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

Forward Looking Statements

The following is management's discussion and analysis of certain significant factors which have affected our financial position and operating results during the periods included in the accompanying consolidated financial statements, as well as information relating to the plans of our current management and should be read in conjunction with the accompanying financial statements and their related notes included in this Report. References in this section to "we," "us," "our," or the "Company" are to the consolidated business of Petro River Oil Corp. and its wholly owned and majority owned subsidiaries.

This Report contains forward-looking statements. Generally, the words "believes," "anticipates," "may," "will," "should," "expects," "intends," "estimates," "continues," and similar expressions or the negative thereof or comparable terminology are intended to identify forward-looking statements. Such statements are subject to certain risks and uncertainties, including the matters set forth in this Report or other reports or documents we file with the SEC from time to time, which could cause actual results or outcomes to differ materially from those projected. Undue reliance should not be placed on these forward-looking statements which speak only as of the date hereof. We undertake no obligation to update these forward-looking statements.

Business Overview

Petro River Oil Corp. is an independent exploration and production company with a focus on drilling, recompletions, and applying modern technologies to both conventional and unconventional oil and gas assets. Specific targets include: increasing production by developing our acreage, increasing profit margins by evaluating and optimizing our production, and executing our business plan to increase property values, reserves, and expanding our asset base.

We benefit from having an experienced management team with proven acquisition, operating and financing capabilities. Mr. Scot Cohen, our Executive Chairman, has over 20 years of financial management experience including five years as managing partner of Iroquois Capital Opportunity Fund, a private equity fund focused on oil and gas. He has raised equity and debt for a number of small and microcap public companies.

The Company is focused on developing its Mississippi Lime acreage. Over the last 12 months the Company has continued to build out its leadership and technical team. Additionally, the Company has been in discussions with industry partners to capitalize and develop acreage in the Mississippi Lime. The Company continues to seek out joint venture partners and acquisition targets.

Projects related to the heavy oil reservoirs are in technical review. The Company has an extensive amount of technical and reservoir information on its Missouri asset. The data is being utilized in the understanding and test phases to develop an economic heavy oil production reserve base.

In light of the challenging oil price environment and capital markets, management is currently in the process of evaluating all options for the Company, including curtailing oil and gas operations, and increasing focus on our technology initiatives. In addition to focusing on obtaining necessary working capital to execute our business plan and continue as a going concern, we are exploring farm in and joint venture opportunities for our oil and gas assets, as well as exit opportunities through an outright sale. No assurances can be given that management will be successful.

Recent Developments

Change in Personia West Concession. On July 31, 2015, the Company received formal notice from the Osage Mineral Council that the new concession terms for the Pearsonia West Concession ("*Pearsonia West*") are effective and formalized. Pearsonia West is a 106,500 contiguous acre position in Osage County, Oklahoma which the Company owns a controlling interest in through its investment in Bandolier Energy LLC, whole owner of the concession.

The new terms allow for vertical drilling obligations to hold the concession which previously had horizontal drilling obligations. This provides a significant cost savings to the Company and preserves potential control of its core asset until 2018, assuming the negotiated obligations are met. Previously, the concession required 11 horizontal wells to be drilled by the end of 2015 with the concession terminating in the event these wells were not drilled. The estimated cost of this obligation was approximately $22.1 million.

Pursuant to the new terms, assuming completion costs of $300,000 per vertical well, the drilling obligations only require capital expenditures of: $1.8 million in 2016, $2.7 million in 2017, and $3.6 million in 2018, collectively $8.1 million to hold the entire concession. This represents a cost savings to the Company of approximately $14.0 million while gaining an extra three years of potential control.

The Company is currently exploring multiple options for development for the Pearsonia Concession including entertaining inquiries from industry and joint venture partners.

Termination of Renzhi MOU. On July 9, 2014 the Company and Sichuan Renzhi Oilfield Technology Services Co. Ltd., a corporation incorporated under the laws of The People's Republic of China and traded on the Shenzhen Stock Exchange ("*Renzhi*") entered into a memorandum of understanding ("*MOU*") for the sale of one of the Company's wholly owned subsidiaries to Renzhi and the joint development by the Company and Renzhi of oil and gas technology and properties (collectively, the "*Transactions*"). As of June 30, 2015, the Company has ceased all discussions and negotiations with Renzhi, including discussions regarding the completion of the Transactions contemplated by the MOU.

Approval of Reverse Stock Split. At the 2015 annual meeting of stockholders held on July 8, 2015, the stockholders approved resolution to authorize the Company's Board of Directors, in its sole and absolute discretion, without further action of the stockholders, to amend our Certificate of Incorporation to (i) implement a reverse stock split of our common stock at a ratio of not less than 1-for-2, and not greater than 1-for-250, within one year from the date of the annual meeting, with the exact ratio to be determined by the Board of Directors (the "*Reverse Split*"); and (ii) immediately following the Reverse Split, increase the total number of authorized shares of our Common Stock to 100.0 million. As of August 14, 2015, the Company has not formally applied for the reverse stock split.

Acquisition of Havelide Assets. On February 18, 2015, Petro Spring I, LLC ("*Petro Spring I*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Havelide Purchase Agreement*") to purchase substantially all of the assets of Havelide GTL LLC ("*Havelide*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Havelide to produce a gasoline-like liquid and high-purity hydrogen from natural gas, at low temperature and at low pressure (the "*Havelide Assets*"). The purchase of the Havelide Assets was consummated on February 27, 2015. Havelide was founded by Stephen Boyd, who joined the Company as its Chief Technology Officer under the terms of an Employment Agreement dated February 18, 2015.

Under the terms of the Havelide Purchase Agreement, in consideration for the Havelide Assets, the Company issued to Havelide 13,333,333 shares of common stock of the Company and a warrant to purchase an additional 26,666,667 shares of common stock at an exercise price of $0.25 per share. The shares of the Company's common stock were valued at approximately $520,000 based on the closing price of the Company's common stock on February 27, 2015.

The Company computed the economic benefit of the above warrant grant as of February 18, 2015 utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.039; exercise price of $0.25; expected volatility of 176%; and a discount rate of 1.50%. The grant date fair value was $923,685.

The Company recorded the Havelide assets based on the fair value of the common stock and warrants $1,443,685 and allocated the purchase price to the intangible assets purchased.

Acquisition of Coalthane Assets. On February 18, 2015, Petro Spring II, LLC ("*Petro Spring II*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Coalthane Purchase Agreement*") to purchase substantially all of the assets of Coalthane Tech LLC ("*Coalthane*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Coalthane to reduce the methane from coal mines and other wells (the "*Coalthane Assets*"). Under the terms of the Coalthane Purchase Agreement, in consideration for the Coalthane Assets, the Company issued to Coalthane 20,000,000 shares of common stock of the Company. The shares of the Company's common stock were valued at approximately $780,000 based on the closing price of the Company's common stock on February 27, 2015.

The Havelide Assets and the Coalthane Assets are in the development stage, and the acquisition thereof is consistent with the Company's business objective of acquiring cutting edge technologies, which the Board of Directors deemed important in light of the current softness in the price of oil and gas. Management currently intends to seek financing or a development partner in order to fully develop the Havelide Assets and Coalthane Assets.

Financial Condition and Results of Operations

Operations	For the Year Ended April 30, 2015	For the Year Ended April 30, 2014
Revenues		
Oil and natural gas sales	$ 2,127,576	$ 372,179
Total Revenues	2,127,576	372,179
Operating Expenses		
Operating	1,847,688	286,507
General and administrative	4,606,377	4,195,437
Depreciation, depletion and accretion	750,360	153,108
Amortization	20,293	-
Impairment of oil and gas assets	1,246,975	4,713,973
Gain in settlement of liability	-	(20,069)
Total Expenses	8,471,693	9,328,956
Operating loss	(6,344,117)	(8,956,777)
Other (expenses) income	(462)	3,248
Net loss	(6,344,579)	(8,953,529)
Net loss attributable to non-controlling interest	(1,355,224)	-
Net loss attributable to Petro River Oil Corp. and Subsidiaries	$ (4,989,355)	$ (8,953,529)
Net Loss per Common Share Basic and Diluted	**$ (0.01)**	**$ (0.01)**

For the Year ended April 30, 2015 and 2014:

Oil Sales

During the year ended April 30, 2015, the Company recognized $2,127,576 in oil and gas sales, of which $1,942,623 is attributable to oil sales and $184,953 is attributable to gas sales, compared to $372,179 for the year ended April 30, 2014, consisting of $253,779 in oil sales and $118,400 in gas sales. The overall increase in sales of $1,755,397 is primarily due to the acquisition of Bandolier during the first quarter of fiscal 2014. During the year ended April 30, 2015, Bandolier generated $2,047,401 of sales with an additional $80,175 in sales for the Company's remaining subsidiaries.

Operating Expenses

During the year ended April 30, 2015, operating expenses were $1,847,688, as compared to operating expenses of $286,507 for the year ended April 30, 2014. The overall increase in operating expenses of $1,561,181 is primarily attributable to acquisition of Bandolier during the first quarter of fiscal 2014. During the year ended April 30, 2015, Bandolier generated $1,737,694 of operating expenses with an additional $109,994 in the operating expenses of the remaining subsidiaries. The decrease in operating margin is primarily attributable to the major decrease industry wide, in oil prices.

General and Administrative Expenses

General and administrative expenses for the year ended April 30, 2015 were $4,606,377, as compared to $ $4,195,437 for the year ended April 30, 2014. The increase is primarily attributable to the significant increase in professional fees and office and administrative, offset by a $366,349 decrease in stock based compensation. The increase in professional fees was a result of fees associated with the business acquisition and the asset acquisitions during 2015. These changes are outlined below:

	For the Year Ended April 30, 2015	For the Year Ended April 30, 2014
Salaries and benefits	$ 1,773,007	$ 2,128,463
Professional fees	2,191,461	1,630,781
Office and administrative	624,615	427,890
Information technology	17,294	8,303
	$ 4,606,377	$ 4,195,437

Oil and Gas Operations

The Company follows the full cost method of accounting for properties that have proven reserves whereby all costs related to exploration and development of oil and gas reserves are capitalized. Under this method, the Company capitalizes all acquisition, exploration and development costs incurred for the purpose of finding oil and natural gas reserves, including salaries, benefits and other internal costs directly attributable to these activities. Costs associated with production and general corporate activities, however, are expensed in the period incurred. Costs are capitalized on a country-by-country basis. To date, there has only been one cost center, the United States.

The present value of estimated future net cash flows is computed by applying the average first-day-of-the-month prices during the previous twelve-month period of oil and natural gas to estimated future production of proved oil and natural gas reserves as of year-end less estimated future expenditures to be incurred in developing and producing the proved reserves and assuming continuation of existing economic conditions.

Following the discovery of reserves and the commencement of production, the Company will compute depletion of oil and natural gas properties using the unit-of-production method based upon production and estimates of proved reserve quantities. During April 2015, the Company tested the oil and gas assets for impairment and recognized an impairment charge of $1,246,975 on the Oklahoma proved properties.

Costs associated with unproved properties are excluded from the depletion calculation until it is determined whether or not proved reserves can be assigned to such properties. Unproved properties are assessed for impairment annually. Significant properties are assessed individually.

The Company assesses all items classified as unproved property on an annual basis for possible impairment. The Company assesses properties on an individual basis or as a group if properties are individually insignificant. The assessment includes consideration of the following factors, among others: land relinquishment; intent to drill; remaining lease term; geological and geophysical evaluations; drilling results and activity; the assignment of proved reserves; and the economic viability of development if proved reserves are assigned. During any period in which these factors indicate impairment, the related exploration costs incurred are transferred to the full cost pool and are then subject to depletion and the ceiling limitations on development oil and natural gas expenditures.

Proceeds from the sale of oil and gas assets are applied against capitalized costs, with no gain or loss recognized, unless a sale would alter the rate of depletion and depreciation by 25 percent or more.

Significant changes in these factors could reduce our estimates of future net proceeds and accordingly could result in an impairment of our oil and gas assets. Management will perform annual assessments of the carrying amounts of its oil and gas assets as additional data from ongoing exploration activities becomes available.

Liquidity and Capital Resources

At April 30, 2015, the Company had working capital of approximately $0.4 million. As a result of the utilization of cash in its operating activities, and the development of its assets, the Company has incurred losses since it commenced operations. In addition, the Company has a limited operating history prior to the acquisition of Bandolier. At April 30, 2015, the Company had cash and cash equivalents of approximately $1.0 million. The current level of working capital is insufficient to maintain current operations in Oklahoma, Kansas and Missouri for the next twelve months. Additional capital will therefore be necessary for management to execute its business plan, develop the Havelide Assets and Coalthane Assets, further expand the Company’s exploration and development programs for the next twelve months, and continue as a going concern. To address the Company’s working capital requirements and execute its business plan, management intends to continue to raise capital through the issuance of debt and equity securities. In addition, and to address the recent volatility and substantial decreases in crude oil prices, the Company initiated cost-cutting measures in November 1, 2014, which initiatives continue. No assurances can be provided that the Company will be successful in its efforts to raise additional required capital, which efforts may be more difficult given the recent volatility and substantial decrease in the price of crude oil. Furthermore, our inability to maintain or raise additional capital may damage the Company’s reputation and credibility with industry participants. The Company’s inability to raise additional funds when required may have a negative impact on its consolidated results of operations and financial condition, and challenge our ability to continue as a going concern.

Management is also currently in the process of evaluating all options for the Company, including curtailing oil and gas operations, and increasing focus on our technology initiatives. In addition to focusing on obtaining necessary working capital to execute our business plan and continue as a going concern, we are exploring farm in and joint venture opportunities for our oil and gas assets, as well as exit opportunities through an outright sale. No assurances can be given that management will be successful.

Operating Activities

The Company used $3,445,726 in operating activities during the year ended April 30, 2015, as compared to using $2,873,131 in operating activities during the year ended April 30, 2014. The Company incurred a net loss during the year ended April 30, 2015 of $5,907,604 as compared to a loss of $8,953,529 for the year ended April 30, 2014. For the year ended April 30, 2015, the loss was offset by non-cash items such as depreciation, depletion amortization and impairment of oil and gas assets, and accretion of asset retirement obligation. Cash used in operations was also influenced by increases in accounts receivable, prepaid expenses and other assets as well as a decrease in accounts payable and accrued expenses. For the year ended April 30, 2014, the loss was offset by non-cash items such as stock-based compensation, depreciation, depletion and amortization, and accretion of asset retirement obligation. Cash used in operations was also influenced by increases in accounts receivable as well as decreases in prepaid expenses and accounts payable and accrued expenses.

Investing Activities

During the year ended April 30, 2015, the Company incurred $8,753,614 of expenditures on oil and gas assets, including $8,751,867 of expenditures as part of the Bandolier acquisition, compared to $327,002 during the year ended April 30, 2014. In addition, the Company purchased $70,580 of office equipment and vehicles of which $31,500 was funded by a note payable. The Company also purchased a $125,000 certificate of deposit pursuant to a cooperative agreement.

Financing Activities

During the year ended April 30, 2015, the Company had $4,968,500 in cash provided by financing activities, as compared to $5,850,000 during the year ended April 30, 2014. The increase in cash is primarily attributable to $5,000,000 received from the non-controlling interest holder of Bandolier, and was partially offset by $31,500 paid on a vehicle note payable. During the year ended April 30, 2014, the Company received $6,500,000 in proceeds from the issuance of common stock and warrants which was offset by stock issuance costs of $650,000.

Capitalization

The number of outstanding shares and the number of shares that could be issued if all common stock equivalents are converted to shares is as follows:

As of	April 30, 2015	April 30, 2014
Common shares	851,909,079	818,567,746
Stock Options	108,188,281	88,038,281
Stock Purchase Warrants	67,291,667	40,625,000
Compensation Warrants	-	-
	1,027,389,027	947,231,027

Critical Accounting Policies and Estimates

The Company's significant accounting policies are described in Note 3 to the annual consolidated financial statements for the year ended April 30, 2015 2014. The consolidated financial statements are prepared in conformity with U.S. GAAP.

The accounting policies set out in note 3 have been applied consistently to all periods presented in these audited consolidated financial statements.

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of 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. Significant estimates include volumes of oil and natural gas reserves, abandonment obligations, impairment of oil and natural gas properties, depreciation and accretion, income taxes, fair value of financial instruments, and contingencies.

The critical accounting policies used in the preparation of our consolidated financial statements are described below.

Off-Balance Sheet Arrangements

None.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014–09, *Revenue from Contracts with Customers*. Amendments in this Update create Topic 606, *Revenue from Contracts with Customers,* and supersede the revenue recognition requirements in Topic 605, *Revenue Recognition,* including most industry–specific revenue recognition guidance throughout the Industry Topics of the Codification. In addition, the amendments supersede the cost guidance in Subtopic 605–35, Revenue Recognition—Construction–Type and Production–Type Contracts, and create new Subtopic 340–40, Other Assets and Deferred Costs—Contracts with Customers. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2011–230 —Revenue Recognition (Topic 605) and Proposed Accounting Standards Update 2011–250—Revenue Recognition (Topic 605): Codification Amendments, both of which have been deleted. Accounting Standards Update 2014–09. The amendments in this Update are effective for the Company for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. The Company is currently evaluating the effects of ASU 2014–09 on the consolidated financial statements.

In June 2014, FASB issued Accounting Standards Update 2014–12, *Compensation – Stock Compensation (*Topic 718), which clarifies accounting for share–based payments for which the terms of an award provide that a performance target could be achieved after the requisite service period. That is the case when an employee is eligible to retire or otherwise terminate employment before the end of the period in which a performance target could be achieved and still be eligible to vest in the award if and when the performance target is achieved. The updated guidance clarifies that such a term should be treated as a performance condition that affects vesting. As such, the performance target should not be reflected in estimating the grant–date fair value of the award. Compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the periods for which the requisite service has already been rendered. The guidance will be effective for the annual periods (and interim periods therein) ending after December 15, 2015. Early application is permitted. The Company is currently evaluating the effects of ASU 2014–12 on the consolidated financial statements.

In August 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014–15, *Presentation of Financial Statements – Going Concern*. The Update provides U.S. GAAP guidance on management's responsibility in evaluating whether there is substantial doubt about a company's ability to continue as a going concern and about related footnote disclosures. For each reporting period, management will be required to evaluate whether there are conditions or events that raise substantial doubt about a company's ability to continue as a going concern within one year from the date the financial statements are issued. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2013–300—Presentation of Financial Statements (Topic 205): Disclosure of Uncertainties about an Entity's Going Concern Presumption, which has been deleted. The Company is currently evaluating the effects of ASU 2014–15 on the consolidated financial statements.

In November 2014, the FASB issued Accounting Standards Update No. 2014-16 (ASU 2014-16), *Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity*. The amendments in this ASU do not change the current criteria in U.S. GAAP for determining when separation of certain embedded derivative features in a hybrid financial instrument is required. The amendments clarify that an entity should consider all relevant terms and features, including the embedded derivative feature being evaluated for bifurcation, in evaluating the nature of the host contract. The ASU applies to all entities that are issuers of, or investors in, hybrid financial instruments that are issued in the form of a share and is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. The Company is currently evaluating the effects of ASU 2014–16 on the consolidated financial statements.

In November 2014, the Financial Accounting Standards Board ("*FASB*") issued Accounting Standards Update ("*ASU*") 2014-17 *Business Combinations* (Topic 805), *Pushdown Accounting*. The amendment provides that acquired entities have the option to apply pushdown accounting in its separate financial statements upon occurrence of an event in which an acquirer obtains control of an acquired entity. The acquired entity will have the option to elect to apply pushdown accounting in a subsequent reporting period and would be treated as a change in accounting principle. Additional disclosures are required to enable the users of the financial statements to evaluate the effect of pushdown accounting. The Company is currently evaluating the effects of ASU 2014–17 on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

ITEM 7A. QUANTITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

Not applicable

ITEM 8.FINANCIALSTATEMENTS AND SUPPLEMENTARY DATA

Reference is made to pages F-1 through F-24 comprising a portion of this annual report on Form 10-K.

ITEM 9. CHANGES INAND DISAGREEMENTSWITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Exchange Act reports 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 Chief Executive Officer and Chief Financial Officer to allow timely decisions regarding required disclosure. Our management, including our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of the effectiveness of our disclosure controls and procedures, as defined under Exchange Act Rule 13a-15(e), as of April 30, 2015. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were not effective as of April 30, 2015 due to a material weakness in our internal control over financial reporting, as discussed below.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as required under applicable United States securities regulatory requirements. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, the company's chief executive and chief financial officers and effected by the company's board of directors, management and other personnel, 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 and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use of disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. A system of internal controls can provide only reasonable, not absolute, assurance that the objectives of the control system are met, no matter how well the system is conceived or operated. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of April 30, 2015. In making this assessment, our management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("*COSO*") in 2013 in Internal Control Integrated Framework. Based on that evaluation under this framework, our management concluded that as of April 30, 2015, our internal control over financial reporting was not effective because of the following material weaknesses in our internal control over financial reporting:

- Due to our small number of employees and resources, we have limited segregation of duties, as a result of which there is insufficient independent review of duties performed.

- As a result of the limited number of accounting personnel, we rely on outside consultants for the preparation of our financial reports, including financial statements and management discussion and analysis, which could lead to overlooking items requiring disclosure.

This annual report does not include an attestation report by our independent registered public accounting firm regarding internal control over financial reporting. As we are neither a large accelerated filer nor an accelerated filer, our management's report was not subject to attestation by our registered public accounting firm pursuant to rules of the Securities and Exchange Commission that permit us to provide only management's report in this annual report.

Changes to Internal Controls and Procedures for Financial Reporting

There was no significant changes in the Company's internal control over financial reporting that were identified in connection with such evaluation that occurred during the period covered by this Annual Report on Form 10-K that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting. To begin remediating the material weakness identified in internal control over financial reporting of the Company, the Company engaged Brio Financial Group and appointed its Managing Member, David Briones, to act as the Company's Chief Financial Officer on August 15, 2013. During the year ended April 30, 2015, Management intended to hire additional accounting staff, and operational and administrative executives. However with the lack of resources these hires were delayed until which time financing is received. Management intends to prepare and implement sufficient written policies and checklists to remedy the material weaknesses identified above.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Our Board of Directors is currently comprised of four members. The term of each director is until the next annual meeting of shareholders or until he resigns or is succeeded by another qualified director who has been elected. The following is a list of our executive officers and the current members of our Board of Directors, including each member's age, the year he became a director or officer of the Company and his current positions with the Company:

Name	Position With the Company	Age	Since
Scot Cohen	Executive Chairman	45	2012
Glenn C. Pollack (1)(2)	Director	56	2012
John Wallace	Director	40	2013
Fred Zeidman (1)(2)	Director	68	2012
David Briones	Chief Financial Officer	38	2013
Ruben Alba	Executive Vice President - Unconventional	41	2012
Daniel Smith	Executive Vice President - Operations	42	2013

(1) Member of Audit Committee
(2) Member of Compensation Committee

Scot Cohen has over 20 years- experience in institutional asset management, wealth management, and capital markets. Scot is the founder and principal of the Iroquois Capital Opportunity Fund, a closed end private equity fund focused on investments in North American oil and gas assets. He is also the co-founder of Iroquois Capital, a New York based hedge fund. In addition, he manages several operating and non-operating partnerships which actively invest in the energy sector.

Prior to founding Iroquois Capital, Scot founded a merchant bank based out of New York which was one of the most active participants in structured investments in public companies (PIPES) in the United States over the 4 year period he was actively managing the business. Scot began his career at Oppenheimer and Company in a sales capacity and transitioned from there to a boutique investment banking firm where he spent two years. Scot currently sits on a number of boards of public and private companies, including True Drinks Holding, Inc. (OTCQB: TRUU), and is involved a number of charitable ventures. Scot earned a Bachelor of Science degree from Ohio University in 1991.

The Board's Nomination Committee believes that Mr. Cohen's extensive investment banking experience advising oil and gas companies, as well as his operational expertise developing oil and gas assets, is valuable to the Board of Directors and its deliberations, and is particularly beneficial as the Company continues to develop its oil and gas assets.

Glenn C. Pollack is a Managing Director and Founder of Candlewood Partners, LLC ("*Candlewood*"), a merchant bank focused on middle market corporate finance and infrastructure projects. Prior to founding Candlewood, Mr. Pollack was a Managing Director and Principal of a middle market investment banking firm with offices in Chicago and Cleveland. He was responsible for the Restructuring Group and was involved in other corporate finance transactions including mergers and acquisitions and capital raising for special situations. He also spent five years as the CEO of a regional distributor of perishable foods with annual revenues of $180 million and over 250 employees in four states. Mr. Pollack is a certified public accountant and has worked for Price Waterhouse as a consultant and for Deloitte as an auditor.

The Board's Nomination Committee believes Mr. Pollack's success with multiple investment banking firms, his extensive contacts within the investment community, his executive management experience and financial and accounting expertise will assist the Company's efforts to raise capital to fund the continued implementation of the Company's business plan.

John Wallace graduated from Syracuse University in May 1996 with a Bachelor's of Science degree in sociology. From June 1996 through May 2004, Mr. Wallace was a professional basketball player associated with the National Basketball Association. Since April 2009, Mr. Wallace has been an alumni relations and fan development representative for the New York Knicks, a professional basketball team aligned with the National Basketball Association. In that capacity, Mr. Wallace works on community public relations and fan development initiatives, along with sponsorship and marketing programs. In January 2013, Mr. Wallace joined Hotaling Insurance Group as an insurance agent. In February 2013, Mr. Wallace became an Executive Board Member of Heavenly Productions Foundation, a not for profit charitable organization dedicated to helping children in need or in distress. Since October 2007, Mr. Wallace has served as Vice President of Winning Because I Tried, a non-profit he co-founded in 2007, and whose focus is on academic success, social interaction, peer pressure awareness, and sound decision-making for children ages 8-18. Since 2006, Mr. Wallace has been President and General Manager of Rochester AAU Basketball, a program he founded in March 2006, which is designed to leverage sports as a means for youth to obtain a college education.

The Board's Nomination Committee believes that Mr. Wallace brings effective management and leadership skills to the Board of Directors, which assists the Board and management in in developing its organization and business plan.

Fred Zeidman has served as Chairman of the Board of Directors of Petroflow Energy Corporation since September 2011. Mr. Zeidman has also served as a director of Hyperdynamics Corporation since 2009 and as a director of Prosperity Bancshares, Inc. since 1986. He served as trustee for the AremisSoft Liquidating Trust since 2004. In March 2008, Mr. Zeidman was appointed the Interim President of Nova Biosource Fuels, Inc. ("*Nova*"), a publicly traded biodiesel technology company, and served in that position until the company's acquisition in November 2009. Mr. Zeidman also served as a director of Nova from June 2007 to November 2009. From August 2009 through November 2009, Mr. Zeidman served as Chief Restructuring Officer for Transmeridian Exploration, Inc. He also served as CEO, President and Chairman of the Board of Seitel Inc., an oil field services company, from June 2002 until its sale in February 2007. Mr. Zeidman served as a Managing Director of the law firm Greenberg Traurig, LLP from July 2003 to December 2008. Mr. Zeidman has served as CEO, Interim CEO and Chairman of the Board of a variety of companies, including several in the oil and gas sector. In March 2013, Mr. Zeidman was appointed to the Board of Straight Path Communications Inc. Mr. Zeidman is the Chairman Emeritus of the United States Holocaust Memorial Council. He was appointed to that position by former President George W. Bush in March 2002 and served from 2002-2010. He is also Chairman Emeritus of the University of Texas Health Science System Houston and is on the Board of Trustees of the Texas Heart Institute (where he currently serves as Interim Chief Financial Officer). He currently serves on the Board of Directors and Executive Committee of the University of Saint Thomas and chairs its Development Committee and Houston Community College. Mr. Zeidman received his Bachelor of Science from Washington University and a Masters of Business Administration from New York University.

The Board's Nomination Committee believes that Mr. Zeidman's extensive experience as an executive in senior management positions, including with oil and gas exploration, oil services and related companies, together with his legal and board experience, add significant value to the Company and its Board of Directors in assessing challenges and in addressing organizational and development issues facing the Company.

David Briones was appointed Chief Financial Officer on August 15, 2013. Since October 1, 2010, Mr. Briones has acted as the managing member of Brio Financial Group, LLC, a financial reporting consulting firm. From January 2006 through September 2010, Mr. Briones had managed the public company and hedge fund practices at Bartolomei Pucciarelli, LLC ("*BP*"). Within that capacity, Mr. Briones performed audit services, outsourced CFO functions, and/or consulted clients through difficult SEC comment periods particularly through application of complex accounting principles for a vast public company client base. BP is a registered firm with the Public Company Accounting Oversight Board. BP is an independent member of the BDO Seidman Alliance. Mr. Briones served as the chief financial officer of NXT Nutritionals Holdings, Inc. from February 2, 2009 to May 15, 2012. Mr. Briones also served as the chief financial officer of Clear-Lite Holdings, Inc. from August 3, 2009 to March 21, 2011. Prior to joining BP, Mr. Briones was an auditor with PricewaterhouseCoopers LLP in New York, New York. Mr. Briones specialized in the financial services group, and most notably worked on the MONY Group, Prudential Financial, and MetLife initial public offerings.

Ruben Alba received his B.S. in Chemical Engineering from New Mexico State University and has been active in the oil & gas industry since 1997. Mr. Alba spent the majority of his career with Halliburton Energy Services and Superior Well Services, overseeing regional technical staff and operations. In this capacity, Mr. Alba introduced a number of new and novel technologies involving new fluid chemistry to the industry, as well as completion processes to reservoirs requiring cutting edge technology, where he holds three US Patents. Mr. Alba was appointed Executive Vice President Unconventional, effective July 3, 2013.

Daniel Smith is a registered Professional Engineer in Petroleum Engineering and has over 15 years of experience in the oil and gas industry. Mr. Smith spent his career at XTO Energy where he served as an Operations Engineer specializing in hydraulic fracturing and artificial lift. Mr. Smith was directly responsible for managing fields producing in excess of 100 million cubic feet of natural gas per day. Mr. Smith has also worked on numerous drilling, production, and development projects ranging from the Marcellus Shale to the Permian Basin. Mr. Smith received a Bachelor's of Science degree in Chemical Engineering from Texas A&M University. Mr. Smith was appointed Executive Vice President Operations, effective July 3, 2013.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires the Company's directors, executive officers and persons who own more than 10% of a registered class of the Company's equity securities, to file with the SEC initial reports of ownership and reports of changes in ownership of Common Stock and other equity securities of the Company. Directors, officers and greater than 10% stockholders are required to furnish the Company with copies of all Section 16(a) forms they file.

To the Company's knowledge, based solely on a review of the copies of such reports furnished to the Company, with respect to the fiscal year ended April 30, 2015, all officers, directors and beneficial owners of more than 10% of our common stock have filed their initial statements of ownership on Form 3 on a timely basis, and the officers, directors and beneficial owners of more than 10% of our common stock have also filed the required Forms 4 or 5 on a timely basis.

Code of Ethics

Our current Code of Ethics became effective July 3, 2013. A copy of our Code of Ethics an exhibit to our Transition Report on Form 10-K, filed on August 28, 2013. The Code of Ethics applies to all officers, directors, and employees of the Company.

Board of Directors Meetings and Committees

The Board held five meetings during the fiscal year ended April 30, 2015. Each Director attended, either in person or telephonically, at least 75% of the aggregate Board of Directors meetings and meetings of committees on which he served during his tenure as a director or committee member.

Audit Committee

Our Audit Committee currently consists of two directors, Glenn Pollack, and Fred Zeidman, each of whom are "independent" as independence is currently defined in applicable SEC rules and the NYSE Company Guide. The Board has determined that Glenn Pollack qualifies as an "Audit Committee financial expert," as defined in applicable SEC rules implementing Section 407 of the Sarbanes-Oxley Act of 2002. The Board made a qualitative assessment of Mr. Pollack's level of knowledge and experience based on a number of factors, including his formal education and experience. The Audit Committee held one meeting during the fiscal year ended April 30, 2015.

The Audit Committee is responsible for overseeing the Company's corporate accounting, financial reporting practices, audits of financial statements and the quality and integrity of the Company's financial statements and reports. In addition, the Audit Committee oversees the qualifications, independence and performance of the Company's independent auditors. In furtherance of these responsibilities, the Audit Committee's duties include the following: evaluating the performance of and assessing the qualifications of the independent auditors; determining and approving the engagement of the independent auditors to perform audit, review and attest services and performing any proposed permissible non-audit services; evaluating employment by the Company of individuals formerly employed by the independent auditors and engaged on the Company's account and any conflicts or disagreements between the independent auditors and management regarding financial reporting, accounting practices or policies; discussing with management and the independent auditors the results of the annual audit; reviewing the financial statements proposed to be included in the Company's annual report on Form 10-K; discussing with management and the independent auditors the results of the auditors' review of the Company's quarterly financial statements; conferring with management and the independent auditors regarding the scope, adequacy and effectiveness of internal auditing and financial reporting controls and procedures; and establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting control and auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters. The Audit Committee operates under the written Audit Committee Charter adopted by the Unanimous Written Consent. A copy of the Audit Committee Charter is available on the Company's website.

Compensation Committee

Our Compensation Committee is currently comprised of two directors, Glenn Pollack and Fred Zeidman, each of whom is independent as independence is currently defined in applicable SEC rules and the NYSE Company Guide. The Compensation Committee held two meeting during the year ended April 30, 2015.

The Compensation Committee reviews, and as it deems appropriate, recommends to the Board, policies, practices, and procedures relating to the compensation of the officers and other managerial employees, and the establishment and administration of employee benefit plans. It advises and consults with the officers of the Company as may be requested regarding managerial personnel policies. The Compensation Committee also has such additional powers as may be conferred upon it from time to time by the Board.

The Compensation Committee operates under the written Compensation Committee Charter that was adopted by the Unanimous Written Consent. A copy of the Compensation Committee Charter is available on the Company's website.

Board Nominations

In lieu of a formal Board Nomination Committee, Board nomination decisions are made by the independent directors of the Board. The independent directors prepare a list of candidates to fill the expiring terms of directors serving on our Board, which they then submit to the Board who determines which candidates will be nominated to serve on the Board. The names of nominees are then submitted for election at our Annual Meeting of Stockholders. The independent directors also submit to the entire Board a list of nominees to fill any interim vacancies on the Board resulting from the departure of a member of the Board for any reason prior to the expiration of his term. In recommending nominees, the independent directors are to consider various criteria, including general business experience, general financial experience, knowledge of the Company's industry (including past industry experience), education, and demonstrated character and judgment. The independent directors will also consider director nominees recommended by a stockholder if the stockholder mails timely notice to the Secretary of the Company at its principal offices. Any person nominated by a stockholder for election to the Board will be evaluated based on the same criteria as all other nominees.

Indemnification of Officers and Directors

As permitted by the Delaware General Corporation Law, the Company will indemnify its directors and officers against expenses and liabilities they incur to defend, settle, or satisfy any civil or criminal action brought against them on account of their being or having been Company directors or officers unless, in any such action, they are adjudged to have acted with gross negligence or willful misconduct.

ITEM 11. EXECUTIVE COMPENSATION

Summary Compensation Table

The following table sets forth information concerning the compensation paid to the Company's Chief Executive Officer, and the Company's two most highly compensated executive officers other than its Chief Executive Officer, who were serving as executive officers as of April 30, 2015 and whose annual compensation exceeded $100,000 during such year (collectively the "*Named Executive Officers*").

Name and Principal Position	Year Ended April 30	Salary $	Bonus $	Stock awards $	Option awards $ (1)	Nonequity Incentive plan compensation $	Nonqualified Deferred compensation Earnings $	All other compensation $	Total $
Scot Cohen, Executive Chairman	2015	120,000	--	--	401,245	--	--	--	521,245
	2014	120,000	--	--	576,035	--	--	--	696,035
Ruben Alba, EVP	2015	96,000	--	--	115,168	--	--	--	211,168
	2014	120,000	--	--	165,337	--	--	--	285,337
Daniel Smith, EVP	2015	120,000	--	--	115,168	--	--	--	235,168
	2014	130,000	--	--	165,337	--	--	--	295,337
David Briones, CFO	2015	94,000	--	--	1,022	--	--	--	95,022
	2014	94,000	--	--	7,742	--	--	--	101,742

(1) "Options" includes all options granted by us as compensation for employment services or office.

The Company's compensation program is designed to provide our executive officers with competitive remuneration and to reward their efforts and contributions to the Company. Elements of compensation for our executive officers include base salary and bonuses paid as stock options pursuant to the Company's Amended and Restated 2012 Equity Compensation Plan (the "*Plan*"). Company performance does not play a significant role in the determination of base salary.

The Compensation Committee, working in conjunction with the Executive Chairman, reviews and makes recommendations to the Board regarding all forms of compensation to be provided to officers and directors of the Company, including all bonus and stock compensation. The Compensation Committee may also set general compensation goals and guidelines for the Company's employees from time to time.

In 2013, the Company entered into an Employment Agreement with Scot Cohen, the Company's Executive Chairman (the "*Employment Agreement*"). Under the terms of the Employment Agreement, Mr. Cohen will be entitled to all earned but unpaid salary, expense reimbursements, bonuses (if applicable), and any vested benefits, upon termination of the Employment Agreement by the Company for cause, by Mr. Cohen without good reason, or upon the Employment Agreement's expiration date in the event Mr. Cohen does not choose to renew his contract. In the event Mr. Cohen's employment is terminated by the Company without cause, upon a change in control of the company, or by Mr. Cohen for good reason, he shall be entitled to any accrued obligations (detailed in the preceding sentence), severance in a single lump sum installment in an amount equal to twice the sum of the base salary in effect on the termination date plus two times the maximum annual bonus for which Mr. Cohen was eligible in the fiscal year in which the termination date occurred, a pro-rata portion of Mr. Cohen's annual bonus for the fiscal year in which the termination occurred, and a full vesting in the initial grant and in any and all previously granted outstanding equity-based incentive awards subject to time-based vesting criteria.

On November 20, 2013, the Company and the Executive Chairman entered into an amendment (the "*Amendment*") to the Employment Agreement. Under the terms of the Amendment, the Company substituted a stock option grant of 41,666,667 fair market value stock options under the Plan, at the exercise price of $0.059 per share, for cash-settled restricted stock units representing 66,340,597 shares of the Company's common stock, which the Company had previously agreed to grant Mr. Cohen under the terms of the Employment Agreement. These options will vest in five equal installments, with the first 20% vesting immediately upon grant, and the remaining options vesting in four equal installments on the anniversary of the grant date.

On November 22, 2013, the Company entered into an employment agreement with Ruben Alba, who was appointed Executive Vice President, Unconventional of the Company on July 7, 2013. Under the terms of this agreement, Mr. Alba will receive an annual base salary of $120,000. During the year ended April 30, 2105, the agreement with Mr. Alba was amended so that he would receive an annual salary of $96,000. Mr. Alba was also granted 12,500,000 stock options of the Company pursuant to the Plan, to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to Mr. Alba's continued employment with the Company.

On November 27, 2013, the Company entered into an employment agreement with Daniel Smith, who was appointed Executive Vice President, Operations of the Company on July 7, 2013. Under the terms of this agreement, Mr. Smith will receive an annual base salary of $120,000. Mr. Smith was also granted 12,500,000 stock options of the Company pursuant to the Plan, to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to Mr. Alba's continued employment with the Company.

On November 26, 2013, the Company entered into a consulting agreement with Brio Financial Group ("*Brio*") and its Managing Member, David Briones, was appointed the Chief Financial Officer of the Company on August 15, 2013. Under the terms of this agreement, Brio will receive a monthly consulting fee of $7,500, as well as a grant of 750,000 stock options of the Company pursuant to the Plan. The options will vest in six installments. The first 125,000 options vested immediately upon execution of the consulting agreement, and the remaining 5 installments will vest monthly, on the 26th of each subsequent month.

Outstanding Equity Awards at April 30, 2015

The Plan was adopted to promote the success and enhance the value of the Corporation by continuing to link the personal interest of participants to those of its Shareholders and by providing participants with an incentive for outstanding performance. The Plan is administered by the Board, and all employees of the Corporation and its subsidiaries, as determined by the Board, and all members of the Board are eligible to participate. An aggregate of 120,000,000 Common Shares are authorized for issuance pursuant to the Plan.

The Plan was approved at a special meeting of the shareholders on September 7, 2012, and an amendment to the plan was approved at the Company's annual meeting of shareholders on April 16, 2014. The following table outlines awards issued to the Company's Named Executive Officers and Directors pursuant to the Plan as of April 30, 2015.

Plan Category	Number of securities underlying unexercised options	Option Exercise Price	Option Expiration Date	Number of securities underlying unvested options	Weighted-average exercise price of outstanding options, warrants, and rights
Scot Cohen	41,666,667	0.059	11/20/23	33,333,334	0.059
Ruben Alba	12,500,000	0.059	11/22/23	10,000,000	0.059
Daniel Smith	12,500,000	0.059	11/27/23	10,000,000	0.059
Gary Williky	6,250,000	0.059	11/22/23	5,000,000	0.059
David Briones	750,000	0.059	11/26/14	500,000	0.059
Glenn Pollack	847,458	0.059	11/20/20	--	0.059
John Wallace	847,458	0.059	11/20/20	--	0.059
Fred Zeidman	847,458	0.059	11/20/20	--	0.059
Total	76,209,041			58,833,334	

Securities Authorized for Issuance Under Equity Compensation Plans.

As of the fiscal year ended April 30, 2015:

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected at left)
Equity compensation plans approved by security holders	108,188,281	$ 0.06	11,811,719

Director Compensation for the Year Ended April 30, 2015

The Company has no formal arrangement pursuant to which directors are compensated for their services in their capacity as directors, except for the granting from time to time of incentive stock options. During the year ended April 30, 2015, no compensation was paid to any of the Company's directors.

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

The following table sets forth information regarding the beneficial ownership of our common stock as of June 1, 2015 for each person known by us to be the beneficial owner of more than 5% of our outstanding shares of common stock. Unless otherwise indicated, we believe that all persons named in the table have sole voting and investment power with respect to all shares of common stock beneficially owned by them. Set forth below is information regarding the shares of the Company's common stock which are owned on June 1, 2015 or which the person has the right to acquire within 60 days of June 1, 2015 for each director, executive officer, all directors and executive officers as a group, and each person who is the beneficial owner of more than five percent of the outstanding shares of the Company's Common Stock.

Name and Address of Beneficial Owner (1)	Number of Shares Beneficially Owned	Stock Options Exercisable within 60 days	Percentage of Shares Beneficially Owned (3)	Position
Scot Cohen	187,896,925(2)	8,333,333	24.68%	Executive Chairman
David Briones	0	625,000	0.08%	Chief Financial Officer
Ruben Alba	0	2,500,000	0.3%	Executive Vice President, Unconventional
Daniel Smith	1,436,280	2,500,000	0.48%	Executive Vice President, Operations
Glenn C. Pollack	3,341,644	847,457	0.51%	Director
John Wallace	0	847,457	0.10%	Director
Fred Zeidman	0	847,457	0.10%	Director
All Directors and Officers as a Group (7 persons)	209,175,553(3)	16,500,704	26.10%	
Petrol Lakes Holding Limited (4)	81,250,000		9.93%	5% owner
Iroquois Capital Opportunity Fund, L.P. (5)	61,086,005		6.72%	5% owner
Aaron Wolfson (6)	53,207,137(7)		6.5%	5% owner

(1) Except where otherwise indicated, the address of the beneficial owner is deemed to be the same address of the Company.

(2) The beneficial owner is a Managing Member of (i) Iroquois Opportunity Management, LLC, which controls Iroquois Capital Opportunity Fund, L.P, (ii) Structure Oil Corp., and (iii) Mega Partners 1 LLC. In addition, he serves as a Director of the Scot Jason Cohen Foundation. By virtue of these positions, he may be deemed, pursuant to Rule 13d-3 promulgated under the Exchange Act, to beneficially own all common stock directly owned by such entities.

(3) Includes stock options exercisable within 60 days of June 1, 2015.

(4) The principal business address of the beneficial owner is Unit D, 12/F, Seabright Plaza, 9-23 Shell Street, North Point, Hong Kong.

(5) The principal business address of the beneficial owner is 205 East 42nd Street, New York, New York, 10017.

(6) The principal business address of the beneficial owner is 1 State Street Plaza, Floor 29, New York, New York, 10004.

(7) The beneficial owner is a Partner of South Ferry Building Company L.P. ("*South Ferry*"). By virtue of this relationship, he may be deemed, pursuant to Rule 13d-3 promulgated under the Exchange Act, to beneficially own the Company's common stock held by South Ferry; however, full voting and dispositive power over the shares of the Company held by South Ferry has been delegated to the portfolio manager.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

Separation and Release Agreement

In addition, in June and July of 2013, the Company signed a series of agreements with Jeffrey Freedman, former Chief Executive Officer, in relation to his departure from the Company. Pursuant to these agreements, the Company has provided to Mr. Freedman the sum of $12,000 and issued 465,116 options to purchase common stock with a $56,047 aggregate fair value as of the July 24, 2013 option grant date. These options will expire on July 23, 2016 and have an exercise price of $0.215. The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.215; exercise price of $0.215; expected volatility of 88%; and a discount rate of 0.64%. The options were immediately vested and the Company recorded the $56,047 to general and administrative expense on the date of grant.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

Our independent registered public accounting firm is Marcum LLP. Set forth below are the aggregate fees we were billed or expected to be billed by Marcum LLP for professional services rendered for the years ended April 30, 2015 and 2014.

Audit Fees

During the fiscal years ended April 30, 2015 and 2014, the fees for Marcum LLP were approximately $112,000 and $273,000, respectively.

Tax Fees

During the fiscal years ended April 30, 2015 and 2014, the fees paid to Marcum LLP for tax compliance, tax advice and tax planning were approximately $110,500 and $52,800, respectively.

All Other Fees

During the fiscal years ended April 30, 2015 and April 30, 2014 there were no fees billed for products and services provided by the principal accountants other than those set forth above.

The Audit Committee has reviewed the above fees for non-audit services and believes such fees are compatible with the independent registered public accountants' independence.

Policy on Audit Committee Pre-Approval of Audit and Non-Audit Services of Independent Accountant

The Audit Committee shall approve the audit engagement and fees related thereto and pre-approve any other services and fees related thereto to be provided by the independent auditors. The Audit Committee shall schedule meetings to review and approve the scope of the annual audit to be performed by the Company's independent auditors.

The Audit Committee shall select, evaluate, and if appropriate, terminate or replace the independent auditors. The Audit Committee will arrange to receive from the independent auditors a formal written statement on at least an annual basis delineating all relationships between the independent auditor and the Company, consistent with Independence Standards Board Standard 1, which shall (a) set forth all relationships between the independent auditor and its related entities and the Company and its related entities that in the independent auditor's professional judgment may reasonably be thought to bear on independence, and (b) confirm that in the auditor's professional judgment, it is independent of the Company within the meaning of the Exchange Act and the Securities Act. On an annual basis, the Audit Committee will review and discuss with the auditors all significant relationships, including non-audit services proposed or performed, the auditors have with the Company to determine the auditors' independence, especially in light of any disclosed relationships or services that may impact the objectivity and independence of the auditor. The independent auditors are accountable to the Audit Committee and to the Board.

PART IV

ITEM 15. EXHIBITSAND FINANCIALSTATEMENT SCHEDULES

(a) Financial Statements.

Our financial statements as set forth in the Index to Financial Statements attached hereto commencing on page F-1 are hereby incorporated by reference.

(b) Exhibits.

The following exhibits, which are numbered in accordance with Item 601 of Regulation S-K, are filed herewith or, as noted, incorporated by reference herein:

Exhibit Number	Exhibit Description
3.1 (1)	Certificate of Incorporation of the Company
3.2 (1)	Bylaws of the Company
5.1	Opinion of the Disclosure Law Group (to be filed by amendment).
10.1 (2)	Securities Purchase Agreement of Petro River Oil LLC, dated as of April 23, 2013, by and among Petro River Oil Corp., Petro River Oil, LLC, the holders of outstanding secured promissory notes of Petro River Oil, LLC, the members of Petro River Oil, LLC and Mega Partners 1 LLC
10.2 (8)	Amended and Restated 2012 Equity Compensation Plan
10.3 (7)	Assignment and Assumption Agreement, dated as of May 30, 2014, by and between Bandolier Energy, LLC and PO1, LLC
10.4 (7)	Agreement, dated as of May 30, 2014, by and between Petro River Oil Corp. and Pearsonia West Investment Group, LLC
10.5 (2)	Employment Agreement, by and between Petro River Oil Corp. and Scot Cohen, dated April 23, 2013
10.6 (4)	Amendment No. 1 to the Employment Agreement, by and between Petro River Oil Corp. and Scot Cohen, dated November 20, 2013
10.7 (5)	Employment Agreement, by and between Petro River Oil Corp. and Ruben Alba, dated November 22, 2013
10.8 (5)	Employment Agreement, by and between Petro River Oil Corp. and Gary Wilkey, dated November 22, 2013
10.9 (5)	Employment Agreement, by and between Petro River Oil Corp. and Luis Vierma, dated November 22, 2013
10.10 (5)	Employment Agreement, by and between Petro River Oil Corp. and Daniel Smith, dated November 22, 2013
10.11 (2)	Form of Securities Purchase Agreement, dated April 23, 2013
10.12 (6)	Securities Purchase Agreement, by an between Petro River Oil Corp. and Petrol Lakes Holding Limited, dated December 12, 2013
10.13 (7)	Form of Bandolier Energy LLC Subscription Agreement, dated May 30, 2014
10.14 (7)	Securities Purchase Agreement, by and between Spyglass Energy Group, LLC, Nadel and Gussman, LLC, Charles W. Wickstrom, Shane E. Matson and Bandolier Energy, LLC, dated January 1, 2014
10.15 (7)	Assignment and Assumption Agreement, by an between Bandolier Energy, LLC and PO1, LLC, dated May 30, 2014
10.16 (7)	Agreement, by and between Petro River Oil Corp. and Pearsonia West Investment Group, LLC, dated May 30, 2014
10.17 (9)	Asset Purchase Agreement by and among Petro River Oil Corp, Petro Spring I, LLC, Havelide GTL LLC and certain shareholders, dated February 18, 2015.
10.18 (9)	Employment Agreement by and between the Company and Stephen Boyd, dated February 18, 2015
10.19 (9)	Form of Warrant
10.20 (10)	Asset Purchase Agreement by and among Petro River Oil Corp, Petro Spring II, LLC, Coalthane Tech LLC and certain shareholders, dated February 27, 2015.
14.1 (3)	Code of Business Conduct and Ethics
21.1 (2)	Subsidiaries
24.1*	Power of Attorney (included on the Signature page of this Annual Report on Form 10-K)
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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 Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*	Attached hereto
(1)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on September 13, 2012.
(2)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on April 29, 2013.
(3)	Incorporated by reference to our Transition Report on Form 10-K filed with the Securities and Exchange Commission on August 28, 2013.
(4)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on November 22, 2013.
(5)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on November 27, 2013.
(6)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on December 16, 2013.
(7)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on June 5, 2014.
(8)	Incorporated by reference to our Annual Report on Form 10-K filed with the Securities and Exchange Commission on August 13, 2014.
(9)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on February 23, 2015.
(10)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on March 5, 2015.

PART I – FINANCIAL INFORMATION
PETRO RIVER OIL CORP.
FINANCIAL INFORMATION

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Audit Committee of the
Board of Directors and Shareholders
of Petro River Oil Corp. and Subsidiaries

We have audited the accompanying consolidated balance sheets of Petro River Oil Corp. and Subsidiaries (the "Company") as of April 30, 2015 and 2014, and the related consolidated statements of operations, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Petro River Oil Corp. and Subsidiaries, as of April 30, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming the Company will continue as a going concern. As discussed in Note 2 to the consolidated financial statements, at April 30, 2015, the Company has incurred significant losses from its operations. These conditions raise substantial doubt about the Company's ability to continue as a going concern. Management's plans regarding those matters also are described in Note 2. The consolidated financial statements do not include any adjustments that might result from the outcome of uncertainty.

/s/ Marcum LLP

New York, New York
August 13, 2015

Petro River Oil Corp. and Subsidiaries
ConsolidatedBalance Sheets

	As of April 30, 2015	As of April 30, 2014
Assets		
Current Assets:		
Cash and cash equivalents	$ 1,010,543	$ 8,352,949
Certificate of deposit - restricted	125,000	-
Accounts receivable	42,688	51,979
Prepaid expenses and other current assets	52,771	40,297
Total Current Assets	1,231,002	8,445,225
Oil and gas assets, net	15,757,011	8,941,592
Property, plant and equipment, net of accumulated depreciation of $313,508 and $302,275	60,953	930
Intangible assets, net	2,203,393	-
Other assets	27,922	6,000
Total Other Assets	18,049,279	8,948,522
Total Assets	**$ 19,280,281**	**$ 17,393,747**
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	$ 252,227	$ 480,637
Asset retirement obligations, current portion	541,959	481,658
Total Current Liabilities	794,186	962,295
Long-term liabilities:		
Asset retirement obligations, net of current portion	376,471	336,352
Total Liabilities	1,170,657	1,298,647
Commitments and contingencies		
Stockholders' Equity:		
Preferred Shares - 5,000,000 authorized; 0 issued and outstanding, par value $0.00001 per share	-	-
Preferred B shares - 29,500 authorized; 0 issued and outstanding, with a $100 stated value, par value $0.00001 per share	-	-
Common shares - 2,250,000,000 authorized; par value $0.00001 per share; Issued and outstanding; 851,909,079 and 818,567,746	8,519	8,186
Additional paid-in capital	31,106,815	27,748,045
Accumulated deficit	(16,650,486)	(11,661,131)
Total Stockholders' Equity attributable to Petro River Oil Corp.	14,464,848	16,095,100
Non-controlling interests	3,644,776	-
Total Stockholders' Equity	18,109,624	16,095,100
Total Liabilities and Stockholders' Equity	**$ 19,280,281**	**$ 17,393,747**

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

Petro River Oil Corp. and Subsidiaries
Consolidated Statements of Operations

Operations	For the Year Ended April 30, 2015	For the Year Ended April 30, 2014
Revenues		
Oil and natural gas sales	$ 2,127,576	$ 372,179
Total Revenues	2,127,576	372,179
Operating Expenses		
Operating	1,847,688	286,507
General and administrative	4,606,377	4,195,437
Depreciation, depletion and accretion	750,360	153,108
Amortization of intangible assets	20,293	-
Impairment of oil and gas assets	1,246,975	4,713,973
Gain on settlement of liability	-	(20,069)
Total Expenses	8,471,693	9,328,956
Operating loss	(6,344,117)	(8,956,777)
Other income (expenses)		
Interest (expense) income, net	(462)	3,248
Net loss	$ (6,344,579)	$ (8,953,529)
Net loss attributable to non-controlling interest	(1,355,224)	-
Net loss attributable to Petro River Oil Corp. and Subsidiaries	**$ (4,989,355)**	**$ (8,953,529)**
Net Loss per Common Share		
Basic and Diluted	**$ (0.01)**	**$ (0.01)**
Weighted Average Number of Common Shares Outstanding - Basic and Diluted	**824,229,846**	**768,257,883**

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

Petro River Oil Corp. and Subsidiaries
Consolidated Statements of Stockholders' Equity
For the Years Ended April 30, 2015 and 2014

	Common Shares	Common Amount	Additional Paid-in Capital	Accumulated Deficit	Non-controlling Interests	Total Stockholders' Equity
Balance at May 1, 2013	**737,117,746**	$ **7,371**	$ **20,317,094**	$ **(2,707,602)**	**-**	$ **17,616,863**
Shares issued for settlement	200,000	2	79,998	-		80,000
Issuance of stock and warrants for cash	81,250,000	813	6,499,187	-		6,500,000
Stock issue costs	-	-	(650,000)	-		(650,000)
Stock-based compensation	-	-	1,501,766	-		1,501,766
Net loss	-	-	-	(8,953,529)	-	(8,953,529)
Balance at April 30, 2014	**818,567,746**	**8,186**	**27,748,045**	**(11,661,131)**	**-**	**16,095,100**
Issuance of stock and warrants for acquisition of assets	33,333,333	333	2,223,353	-		2,223,686
Stock-based compensation			1,135,417			1,135,417
Non-controlling interest contribution					5,000,000	5,000,000
Net loss				(4,989,355)	(1,355,224)	(6,344,579)
Balance at April 30, 2015	**851,901,079**	**$ 8,519**	**$ 31,106,815**	**(16,650,486)**	**3,644,776**	**$ 18,109,624**

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

Petro River Oil Corp. and Subsidiaries
ConsolidatedStatementsof Cash Flows

	For the Year Ended April 30, 2015	For the Year Ended April 30, 2014
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (6,344,579)	$ (8,953,529)
Adjustments to reconcile net loss to net cash used in operating activities		
Stock-based compensation	1,135,417	1,501,766
Depreciation, depletion and amortization	702,454	98,134
Amortization of intangible assets	20,293	-
Accretion of asset retirement obligation	47,906	54,974
Impairment of oil and gas assets	1,246,975	4,713,973
Gain on settlement of liability	-	(20,069)
Changes in operating assets and liabilities:		
Accounts receivable	9,291	(20,585)
Prepaid expenses and other assets	(12,474)	18,093
Other assets	(21,922)	24,500
Accounts payable and accrued expenses	(228,410)	(290,388)
Net Cash Used in Operating Activities	(3,445,049)	(2,873,131)
Cash Flows From Investing Activities:		
Capitalized expenditures on oil and gas assets	(8,701,100)	(327,002)
Purchase of equipment	(39,757)	-
Purchase of certificate of deposit	(125,000)	-
Net Cash Used in Investing Activities	(8,865,857)	(327,002)
Cash Flows From Financing Activities:		
Proceeds from the issuance of common stock and warrants	-	6,500,000
Stock issuance costs	-	(650,000)
Payments of note payable	(31,500)	-
Cash received from non-controlling interest contribution	5,000,000	-
Net Cash Provided by Financing Activities	4,968,500	5,850,000
Change in cash and cash equivalents	(7,342,406)	2,649,867
Cash and cash equivalents, beginning of period	8,352,949	5,703,082
Cash and cash equivalents, end of period	$ 1,010,543	$ 8,352,949
SUPPLEMENTARY CASH FLOW INFORMATION:		
Cash Paid During the Period for:		
Income taxes	$ -	$ -
Interest paid	$ 308	$ -
Non-cash investing and financing activities:		
Conversion of accrued settlement liability into common stock	$ -	$ 80,000
Assumption of asset retirement obligation	$ 52,514	$ -
Acquisition of intangible assets for common stock and warrants	$ 2,223,686	$ -
Issuance of note payable for purchase of fixed assets	$ 31,500	$ -

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

PETRO RIVER OIL CORP.
Notes to the Consolidated Financial Statements
For the years ended April 30, 2015 and 2014

1. Organization

Petro River Oil Corp (the "*Company*") is an independent exploration and production company with a focus on drilling, completion, recompletions, and applying modern technologies to both conventional and unconventional oil and gas assets. The Company's core holdings are in the Mid Continent region in Oklahoma and Kansas. The Company's operations are currently focused on the Mississippi Lime play, capitalizing on the experience, knowledge, and drilling techniques of its team. The Company is driven to utilize its expertise both in the region and in similar formations to exploit hydrocarbon prone resources with tight and/or challenging characteristics in order to create value for the Company and its shareholders. The Company's principal administrative office is located in Houston, Texas and its principal operations are in Oklahoma with secondary operations in Kansas and Western Missouri. The Company also has an office in New York, New York, which is also headquarters to Petro Spring LLC ("*Petro Spring*"), the Company's technology focused subsidiary.

Petro River Oil LLC ("*Petro*"), was incorporated under the laws of the State of Delaware on March 3, 2011. Through proceeds received from the issuance of various promissory notes, on February 1, 2012, Petro purchased various interests in oil and gas leases, wells, records, data and related personal property located along the Mississippi Lime play in the state of Kansas from Metro Energy Corporation ("*Metro*"), a Louisiana company, and other interrelated entities, through a court approved order as Metro was undergoing Chapter 11 Bankruptcy proceedings as a Debtor-In-Possession of these various oil and gas assets. Petro purchased these assets for cash consideration of $2,000,000 as well as a 25% non-managing membership interest in Petro. The Company engaged Energy Source Advisors to renew a number of the leases acquired in the Metro purchase and to lease additional acreage. As a result of the asset purchase from Metro and the completion of the additional lease renewals and additional acreage purchases, the Company obtained a total of 115,000 gross (85,000 net acres) of leases, having unproven reserves at the time of acquisition, in the Mississippi Lime in Southeast Kansas for total cost of $12.2 million.

On April 23, 2013, the Company executed a securities purchase agreement by and among the Company, Petro, and the investors in Petro (the "*Investors*"), namely, the holders of outstanding secured promissory notes of Petro (the "*Notes*"), and those holding membership interests in Petro (the "*Membership Interests*", and, together with the Notes, the "*Acquired Securities*") sold by Petro (the "*Share Exchange*"). In the Share Exchange, the Investors exchanged their Acquired Securities for 591,021,011 newly issued shares of the Company's common stock. Upon completion of the Share Exchange, Petro became the Company's wholly owned subsidiary.

As a result of the Share Exchange, the Company acquired 100% of the membership units of Petro and consequently, control of the business and operations of Petro. Under generally accepted accounting principles in the United States ("*U.S. GAAP*"), because Petro's former members and note holders held 80% of the issued and outstanding shares of the Company as a result of the Share Exchange, Petro is deemed the accounting acquirer while the Company remains the legal acquirer. Petro adopted the fiscal year of the Company. Prior to the Share Exchange, all historical financial statements presented are those of Petro. The equity of the Company is the historical equity of Petro, restated to reflect the number of shares issued by the Company in the transaction.

Recent Developments

Change in Personia West Concession. On July 31, 2015, the Company received formal notice from the Osage Mineral Council that the new concession terms for the Pearsonia West Concession ("*Pearsonia West*") are effective and formalized. Pearsonia West is a 106,500 contiguous acre position in Osage County, Oklahoma which the Company owns a controlling interest in through its investment in Bandolier Energy LLC, whole owner of the concession.

The new terms allow for vertical drilling obligations to hold the concession which previously had horizontal drilling obligations. This provides a significant cost savings to the Company and preserves potential control of its core asset until 2018, assuming the negotiated obligations are met. Previously, the concession required 11 horizontal wells to be drilled by the end of 2015 with the concession terminating in the event these wells were not drilled. The estimated cost of this obligation was approximately $22.1 million.

Pursuant to the new terms, assuming completion costs of $300,000 per vertical well, the drilling obligations only require capital expenditures of: $1.8 million in 2016, $2.7 million in 2017, and $3.6 million in 2018, collectively $8.1 million to hold the entire concession. This represents a cost savings to the Company of approximately $14.0 million while gaining an extra three years of potential control.

The Company is currently exploring multiple options for development for the Pearsonia Concession including entertaining inquiries from industry and joint venture partners.

Termination of Renzhi MOU. On July 9, 2014 the Company and Sichuan Renzhi Oilfield Technology Services Co. Ltd., a corporation incorporated under the laws of The People's Republic of China and traded on the Shenzhen Stock Exchange ("*Renzhi*") entered into a memorandum of understanding ("*MOU*") for the sale of one of the Company's wholly owned subsidiaries to Renzhi and the joint development by the Company and Renzhi of oil and gas technology and properties (collectively, the "*Transactions*"). As of June 30, 2015, the Company has ceased all discussions and negotiations with Renzhi, including discussions regarding the completion of the Transactions contemplated by the MOU.

Approval of Reverse Stock Split. At its 2015 annual meeting of stockholders held on July 8, 2015, stockholders approved resolution to authorize the Company's Board of Directors, in its sole and absolute discretion, without further action of the stockholders, to amend our Certificate of Incorporation to (i) implement a reverse stock split of our common stock at a ratio of not less than 1-for-2, and not greater than 1-for-250, within one year from the date of the annual meeting, with the exact ratio to be determined by the Board of Directors (the "*Reverse Split*"); and (ii) immediately following the Reverse Split, increase the total number of authorized shares of our Common Stock to 100.0 million. As of August 13, the Company has not formally applied for the reverse stock split.

Asset Acquisitions*:*

Acquisition of Havelide Assets. On February 18, 2015, Petro Spring I, LLC ("*Petro Spring I*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Havelide Purchase Agreement*") to purchase substantially all of the assets of Havelide GTL LLC ("*Havelide*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Havelide to produce a gasoline-like liquid and high-purity hydrogen from natural gas, at low temperature and at low pressure (the "*Havelide Assets*"). The purchase of the Havelide Assets was consummated on February 27, 2015. Havelide was founded by Stephen Boyd, who joined the Company as its Chief Technology Officer under the terms of an Employment Agreement dated February 18, 2015.

Under the terms of the Havelide Purchase Agreement, in consideration for the Havelide Assets, the Company issued to Havelide 13,333,333 shares of common stock of the Company and a warrant to purchase an additional 26,666,667 shares of common stock at an exercise price of $0.25 per share. The shares of the Company's common stock were valued at approximately $520,000 based on the closing price of the Company's common stock on February 27, 2015.

The Company computed the economic benefit of the above warrant grant as of February 27, 2015 utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.039; Exercise price of $0.25; expected volatility of 176%; and a discount rate of 1.50%. The grant date fair value was $923,685.

The Company recorded the Havelide assets based on the fair value of the common stock and warrants $1,443,685 and allocated the purchase price to the intangible assets purchased.

Acquisition of Coalthane Assets. On February 18, 2015, Petro Spring II, LLC ("*Petro Spring II*"), a Delaware limited liability company wholly owned by Petro Spring, entered into a definitive asset purchase agreement ("*Coalthane Purchase Agreement*") to purchase substantially all of the assets of Coalthane Tech LLC ("*Coalthane*"), consisting of certain patents and other intellectual property, trade secrets, and assets developed and owned by Coalthane to reduce the methane from coal mines and other wells (the "*Coalthane Assets*"). The purchase of the Coalthane Assets was consummated on February 27, 2015. Under the terms of the Coalthane Purchase Agreement, in consideration for the Coalthane Assets, the Company issued to Coalthane 20,000,000 shares of common stock of the Company. The shares of the Company's common stock were valued at approximately $780,000 based on the closing price of the Company's common stock on February 27, 2015. The Company recorded the Coalthane Assets basedon the the fair value of the common stock $780,000 and allocated the purchase price to the intangible assets purchased.

The following table summarizes the consideration of the asset purchases and the allocation of the purchase prices:

Purchase consideration:	
Net cash provided	$ -
Fair value of common stock and warrants issued	2,223,686
Total Purchase Consideration	**$ 2,223,686**
Purchase price allocation:	
Patent rights	$ 2,223,686

*Acquisition of Interest in Bandolier Energy LLC***.** On May 30, 2014, the Company entered into a Subscription Agreement pursuant to which the Company was issued a 50% interest in Bandolier Energy, LLC ("*Bandolier*") in exchange for a capital contribution of $5.0 million (the "*Bandolier Acquisition*"). In connection with the Bandolier Acquisition, the Company has the right to appoint a majority of the board of managers of Bandolier. The Company's Executive Chairman is a manager of, and investor in, Pearsonia West Investment Group, LLC ("*PWIG*"), a special purpose vehicle formed for the purpose of investing in Bandolier with the Company and Ranger Station, LLC ("*Ranger Station*"). Concurrently with the Bandolier Acquisition, PWIG was issued a 44% interest in Bandolier for cash consideration of $4.4 million, and Ranger Station was issued a 6% interest in Bandolier for cash consideration of $600,000. In connection with PWIG's investment in Bandolier, the Company and PWIG entered into an agreement, dated May 30, 2014, granting the members of PWIG an option, exercisable at any time prior to May 30, 2017, to exchange their pro rata share of the Bandolier membership interests for shares of the Company's common stock, at a price of $0.08 per share, subject to adjustment (the "*Option*"). The Option, if fully exercised, would result in the Company issuing 55,000,000 shares of its common stock, or 6% to the members of PWIG.

The Company has operational control along with a 50% ownership interest in Bandolier. As a result, the Company consolidates Bandolier. The remaining 50% non–controlling interest represents the equity investment from PWIG and Ranger Station. The Company will allocate the proportionate share of the net operating income/loss to both the Company and the non-controlling interest.

Subsequent to the initial capitalization of Bandolier, Bandolier acquired for $8,712,893, less a $407,161 claw back, all of the issued and outstanding equity of Spyglass Energy Group, LLC ("*Spyglass*"), the owner of oil and gas leases, leaseholds, lands, and options and concessions thereto located in Osage County, Oklahoma. Spyglass controls a significant contiguous oil and gas acreage position in Northeastern Oklahoma, consisting of approximately 106,000 acres, with substantial original oil in place, stacked reservoirs, as well as exploratory and development opportunities that can be accessed through both horizontal and vertical drilling. Significant infrastructure is already in place including 32 square miles of 3D seismic, 3 phase power, a dedicated sub-station as well as multiple oil producing horizontal wells. No additional contingencies were assumed.

As a result of Bandolier's subsequent acquisition of Spyglass, the Company has both proven developed and proven undeveloped oil and gas assets. On September 17, 2014, Spyglass has received from the Osage Minerals Counsel at a duly called meeting in Pawhuska, Oklahoma, an extension to its 2014 well commitment due under its concession agreement to extend the time to drill four wells until December 31, 2015.

The Company recorded the purchase of Spyglass using the acquisition method of accounting as specified in *ASC 805 "Business Combinations."* This method of accounting requires the acquirer to (i) record purchase consideration issued to sellers in a business combination at fair value on the date control is obtained, (ii) determine the fair value of any non-controlling interest, and (iii) allocate the purchase consideration to all tangible and intangible assets acquired and liabilities assumed based on their acquisition date fair values. Further, the Company commenced reporting the results of Spyglass on a consolidated basis with those of the Company effective upon the date of the acquisition.

The Company consolidated Bandolier as of May 30, 2014, and the results of operations of the Company include that of Bandolier from June 1, 2014 through April 30, 2015. The Company recognized net revenues attributable to Bandolier of $2,047,401 and recognized a loss of $2,710,448 during the period June 1, 2014 through April 30, 2015.

The following table summarizes fair values of the net liabilities assumed and the allocation of the aggregate fair value of the purchase consideration, and non-controlling interest and net liabilities to assumed identifiable and unidentifiable intangible assets. The fair value allocation is based on management's estimates utilizing potential production and future cash flows:

Purchase consideration:		
Cash paid	$	8,329,759
Liabilities assumed		52,514
Total Purchase Consideration	**$**	**8,382,273**
Purchase price allocation:		
Oil and gas assets – proved developed	$	2,460,632
Oil and gas assets – proved undeveloped	$	5,921,641
Asset retirement obligations	$	(52,514)

The following table summarizes, on an unaudited pro forma basis, the results of operations of the Company as though the acquisition had occurred as of May 1, 2013. The pro forma amounts presented are not necessarily indicative of either the actual operation results had the acquisition transaction occurred as of May 1, 2013.

	For the Year Ended	
	April 30, 2015	**April 30, 2014**
Revenues	$ 2,494,392	$ 7,597,640
Net loss	$ (4,849,864)	$ (4,956,917)
Loss per share of common share - Basic and diluted	$ (0.01)	$ (0.01)
Weighted average number of common shares Outstanding - Basic and diluted	851,901,079	768,257,883

At April 30, 2015 the non–controlling interest in Bandolier was as follows:

Non–controlling interest at April 30, 2014	**$ -**
Acquisition of non–controlling interest in Bandolier	5,000,000
Non–controlling share of net loss	(1,355,224)
Non–controlling interest at April 30, 2015	**$** 3,644,776

As of April 30, 2015, the Company performed a ceiling test on the Oklahoma oil and gas assets. As a result, the Company recognized an impairment charge of $1,246,975 on the Oklahoma oil and gas assets.

2. Going Concern and Management's Plan

The accompanying consolidated financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. As of April 30, 2015, the Company had an accumulated deficit of $16,650,486. The Company has incurred significant losses since inception. These matters raise substantial doubt about the Company's ability to continue as a going concern. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset amounts or the classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

At April 30, 2015, the Company had working capital of approximately $0.4 million. As a result of the utilization of cash in its operating activities, and the development of its assets, the Company has incurred losses since it commenced operations. In addition, the Company has a limited operating history prior to acquisition of Bandolier. At April 30, 2015, the Company had cash and cash equivalents of approximately $1.0 million. The Company's primary source of operating funds since inception has been equity financings.

Management is currently in the process of evaluating all paths for the company at this point amid a difficult oil price environment. This includes curtailing oil and gas operations and increasing focus on our technology initiates. Obtaining funding in this environment for exploration and production assets is challenging though we continue to work hard to meet our capital needs. We are exploring farm in and joint venture opportunities for our oil and gas assets as well as exit opportunities through an outright sale.

Management's principal objective is to maximize shareholder value by, among other things, increasing production by developing its acreage, increasing profit margins by evaluating and optimizing its production, and executing its business plan to increase property values, prove its reserves, and expand its asset base. In addition, management is focused on developing Petro Spring, its technology focused business, which recently acquired Havelide Assets and Coalthane Assets. While management currently has no plans to discontinue or revise its business plan, recent volatility and decrease in crude oil prices may cause management to cut back on its development or acquisition plans, or otherwise revisit its business and/or its capital expenditure plan. Continued volatility and decreases in crude oil prices may accelerate such cut back or revisions. To combat price volatility in crude oil process and further diversify the business, management has increased its focus on the development of Petro Spring.

The Company is currently focused on developing its core position in the Mississippi Lime, specifically in the Pearsonia West Concession in Osage County recently acquired during the Bandolier Acquisition and Bandolier's acquisition of Spyglass. Management's current plans in the Mississippi Lime play are focused on Pearsonia West, but Petro River also owns additional Mississippi Lime acreage in Kansas. Over the last 12 months the Company has continued to build out its leadership and technical team with individuals with extensive experience in the Mississippi Lime play. Additionally, the Company has been in discussions with industry partners to capitalize and develop additional acreage in the Mississippi Lime. The Company continues to seek out joint venture partners and acquisition targets.

The Company continues to evaluate its non-core projects related to its legacy heavy oil reservoirs. While still in technical review, the Company is engaged in a series of pilot tests related to certain theories, technologies and processes on the Missouri heavy oil assets. In Missouri, the Company has continued to analyze reservoir data and testing results to determine if any of these technologies or processes may lead to a viable and economic development plan for the understanding and test phases to develop an economic heavy oil production reserve base.

3. Basis of Preparation

The consolidated financial statements and accompanying footnotes are prepared in accordance with U.S. GAAP and include the accounts of the Company and its wholly owned subsidiaries. All material intercompany balances and transactions have been eliminated in consolidation. Non–controlling interest represents the minority equity investment in the Company's subsidiaries, plus the minority investors' share of the net operating results and other components of equity relating to the non–controlling interest.

These consolidated financial statements include the below subsidiaries:

Petro River Oil LLC, Petro Spring, LLC, PO1, LLC and MegaWest Energy USA Corp. and its wholly owned subsidiaries:

MegaWest Energy Texas Corp.
MegaWest Energy Kentucky Corp.
MegaWest Energy Missouri Corp.
MegaWest Energy Kansas Corp.
MegaWest Energy Montana Corp.

Also contained in the consolidated financial statements is the financial information of the Company's 50% owned subsidiary, Bandolier Energy LLC.

4. Significant Accounting Policies

(a) Use of Estimates:

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of 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. Significant estimates include volumes of oil and natural gas reserves, abandonment obligations, impairment of oil and natural gas properties, depreciation and accretion, income taxes, fair value of financial instruments, and contingencies.

Oil and gas proven reserve estimates, which are the basis for unit-of-production depletion and the full cost ceiling test, have a number of inherent uncertainties. The accuracy of any reserve estimate is a function of the quality of available data and of engineering and geological interpretation and judgment. Results of drilling, testing, and production subsequent to the date of the estimate may justify revision of such estimate. Accordingly, reserve estimates are often different from the quantities of oil and gas that are ultimately recovered. In addition, reserve estimates are vulnerable to changes in prices of crude oil and gas. Such prices have been volatile in the past and can be expected to be volatile in the future. As of April 30, 2015, the Company had proven reserves in Oklahoma in relation to the Bandolier transaction.

(b) Cash and Cash Equivalents:

Cash and cash equivalents include all highly liquid monetary instruments with original maturities of three months or less when purchased. These investments are carried at cost, which approximates fair value. Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash deposits. The Company maintains its cash in institutions insured by the Federal Deposit Insurance Corporation ("*FDIC*"). At times, the Company's cash and cash equivalent balances may be uninsured or in amounts that exceed the FDIC insurance limits.

(c) Oil and Gas Operations:

Oil and Gas Properties: The Company uses the full-cost method of accounting for its exploration and development activities. Under this method of accounting, the costs of both successful and unsuccessful exploration and development activities are capitalized as oil and gas property and equipment. Proceeds from the sale or disposition of oil and gas properties are accounted for as a reduction to capitalized costs unless the gain or loss would significantly alter the relationship between capitalized costs and proved reserves of oil and natural gas attributable to a country, in which case a gain or loss would be recognized in the consolidated statements of operations. All of the Company's oil and gas properties are located within the continental United States, its sole cost center.

Oil and gas properties may include costs that are excluded from costs being depleted. Oil and gas costs excluded represent investments in unproved properties and major development projects in which the Company owns a direct interest. These unproved property costs include non-producing leasehold, geological and geophysical costs associated with leasehold or drilling interests and in process exploration drilling costs. All costs excluded are reviewed at least annually to determine if impairment has occurred.

The Company accounts for its unproven long-lived assets in accordance with Accounting Standards Codification ("*ASC*") Topic 360-10-05, "Accounting for the Impairment or Disposal of Long-Lived Assets." ASC Topic 360-10-05 requires that long-lived assets be reviewed for impairment whenever events or changes in circumstances indicate that the historical cost carrying value of an asset may no longer be appropriate. As of April 30, 2014, management engaged a third party to perform an independent study of the oil and gas assets. Management concluded that the Montana assets were impaired by $75,000 and the Kansas assets were impaired by $4,638,973. The Company recorded $4,713,973 impairment to the consolidated statement of operations for the year ended April 30, 2014. No further impairment was recognized on these assets during the year ended April 30, 2015.

Proved Oil and Gas Reserves: In accordance with Rule 4-10 of SEC Regulation S-X, proved oil and gas reserves are the estimated quantities of crude oil, natural gas and natural gas liquids which geological and engineering data demonstrate with reasonable certainty to be recoverable in future years from known reservoirs under existing economic and operating conditions. All of the Company's oil and gas properties with proven reserves were impaired to the salvage value prior to the Bandolier transaction. The price used to establish economic producibility is the average price during the 12-month period preceding the end of the entity's fiscal year and calculated as the un-weighted arithmetic average of the first-day-of-the-month price for each month within such 12-month period. Upon completion of the Bandolier transaction, the Company acquired $2,460,632 in proved developed oil and gas assets and $5,921,641 in proven undeveloped oil and gas assets. As of April 30, 2015, management performed a ceiling test on the Oklahoma assets acquired in the Bandolier transaction. As a result, the Company recognized an impairment charge of $1,246,975 on the Oklahoma oil and gas assets.

Depletion, Depreciation and Amortization: Depletion, depreciation and amortization is provided using the unit-of-production method based upon estimates of proved oil and gas reserves with oil and gas production being converted to a common unit of measure based upon their relative energy content. Investments in unproved properties and major development projects are not amortized until proved reserves associated with the projects can be determined or until impairment occurs. If the results of an assessment indicate that the properties are impaired, the amount of the impairment is deducted from the capitalized costs to be amortized. Once the assessment of unproved properties is complete and when major development projects are evaluated, the costs previously excluded from amortization are transferred to the full cost pool and amortization begins. The amortizable base includes estimated future development costs and, where significant, dismantlement, restoration and abandonment costs, net of estimated salvage value.

In arriving at rates under the unit-of-production method, the quantities of recoverable oil and natural gas reserves are established based on estimates made by the Company's geologists and engineers which require significant judgment, as does the projection of future production volumes and levels of future costs, including future development costs. In addition, considerable judgment is necessary in determining when unproved properties become impaired and in determining the existence of proved reserves once a well has been drilled. All of these judgments may have significant impact on the calculation of depletion expenses. There have been no material changes in the methodology used by the Company in calculating depletion, depreciation and amortization of oil and gas properties under the full cost method during the years ended April 30, 2015 and 2014.

(d) Intangible Assets :

Intangible assets consist of patent rights. Applicable long–lived assets are amortized or depreciated over the shorter of their estimated useful lives, the estimated period that the assets will generate revenue, or the statutory or contractual term in the case of patents. Estimates of useful lives and periods of expected revenue generation are reviewed periodically for appropriateness and are based upon management's judgment. Patent rights are amortized on the straight-line method over their useful lives of 15 years.

(e) Impairment of Long-Lived Assets :

The Company assesses the recoverability of its long-lived assets when there are indications that the assets might be impaired. When evaluating assets for potential impairment, the Company compares the carrying value of the asset to its estimated undiscounted future cash flows. If an asset's carrying value exceeds such estimated cash flows (undiscounted and with interest charges), the Company records an impairment charge for the difference.

(f) Asset Retirement Obligations:

The Company recognizes a liability for the estimated fair value of site restoration and abandonment costs when the obligations are legally incurred and the fair value can be reasonably estimated. The fair value of the obligations is based on the estimated cash flow required to settle the obligations discounted using the Company's credit adjusted risk-free interest rate. The obligation is recorded as a liability with a corresponding increase in the carrying amount of the oil and gas assets. The capitalized amount will be depleted on a unit-of-production method. The liability is increased each period, or accretes, due to the passage of time and a corresponding amount is recorded in the consolidated statements of operations.

Revisions to the estimated fair value would result in an adjustment to the liability and the capitalized amount in oil and gas assets.

(g) Oil and Gas Revenue:

Sales of oil and gas, net of any royalties, are recognized when oil has been delivered to a custody transfer point, persuasive evidence of a sales arrangement exists, the rights and responsibility of ownership pass to the purchaser upon delivery, collection of revenue from the sale is reasonably assured, and the sales price is fixed or determinable. The Company sells oil and gas on a monthly basis. Virtually all of its contracts' pricing provisions are tied to a market index, with certain adjustments based on, among other factors, whether a well delivers to a gathering or transmission line, the quality of the oil and gas, and prevailing supply and demand conditions, so that the price of the oil and gas fluctuates to remain competitive with other available oil supplies.

(h) Stock-based Compensation:

Generally, all forms of stock-based compensation, including stock option grants, warrants, and restricted stock grants are measured at their fair value utilizing an option pricing model on the award's grant date, based on the estimated number of awards that are ultimately expected to vest.

The Company recognizes compensation expense for all equity–based payments in accordance with *ASC 718"Share–based payments".* Under fair value recognition provisions, the Company recognizes equity–based compensation net of an estimated forfeiture rate and recognizes compensation cost only for those shares expected to vest over the requisite service period of the award.

The fair value of option award is estimated on the date of grant using the Black–Scholes option valuation model. The Black–Scholes option valuation model requires the development of assumptions that are input into the model. These assumptions are the expected stock volatility, the risk–free interest rate, the option's expected life, the dividend yield on the underlying stock and the expected forfeiture rate. Expected volatility is calculated based on the historical volatility of the Company's common stock over the expected option life and other appropriate factors. Risk–free interest rates are calculated based on continuously compounded risk–free rates for the appropriate term. The dividend yield is assumed to be zero as the Company has never paid or declared any cash dividends on its common stock and does not intend to pay dividends on the common stock in the foreseeable future. The expected forfeiture rate is estimated based on historical experience.

Determining the appropriate fair value model and calculating the fair value of equity–based payment awards requires the input of the subjective assumptions described above. The assumptions used in calculating the fair value of equity–based payment awards represent management's best estimates, which involve inherent uncertainties and the application of management's judgment. As a result, if factors change and the Company uses different assumptions, the equity–based compensation expense could be materially different in the future. In addition, the Company is required to estimate the expected forfeiture rate and recognize expense only for those shares expected to vest. If the actual forfeiture rate is materially different from our estimate, the equity–based compensation expense could be significantly different from what the Company has recorded in the current period.

The Company accounts for share–based payments granted to non–employees in accordance with *ASC 505, "Equity Based Payments to Non–Employees"*. The Company determines the fair value of the stock–based payment as either the fair value of the consideration received or the fair value of the equity instruments issued, whichever is more reliably measurable. If the fair value of the equity instruments issued is used, it is measured using the stock price and other measurement assumptions as of the earlier of either (1) the date at which a commitment for performance by the counterparty to earn the equity instruments is reached, or (2) the date at which the counterparty's performance is complete.

The expenses resulting from stock-based compensation are recorded as general and administrative expenses in the consolidated statement of operations, depending on the nature of the services provided.

(i) Per Share Amounts:

Basic net loss per common share is computed by dividing net loss attributable to common stockholders by the weighted-average number of common shares outstanding during the period. Diluted net loss per common share is determined using the weighted-average number of common shares outstanding during the period, adjusted for the dilutive effect of common stock equivalents. In periods when losses are reported, which is the case for the years ended April 30, 2015 and 2014, as presented in these financial statements, the weighted-average number of common shares outstanding excludes common stock equivalents because their inclusion would be anti-dilutive.

The Company had the following common stock equivalents at April 30, 2015 and 2014:

As at	April 30, 2015	April 30, 2014
Stock Options	108,188,281	88,038,281
Stock Purchase Warrants	67,291,667	40,625,000
	175,479,948	128,663,281

(j) Fair Value of Financial Instruments:

All financial instruments, including cash and cash equivalents, accounts receivable and accounts payable and accrued expenses are recognized on the consolidated balance sheet initially at carrying value. The carrying value of these assets approximates their fair value due to their short-term maturities.

At each balance sheet date, the Company assesses financial assets for impairment with any impairment recorded in the consolidated statement of operations. To assess loans and receivables for impairment, the Company evaluates the probability of collection of accounts receivable and records an allowance for doubtful accounts, which reduces loans and receivables to the amount management reasonably believes will be collected. In determining the amount of the allowance, the following factors are considered: the length of the time the receivable has been outstanding, specific knowledge of each customer's financial condition and historical experience.

Market risk is the risk that changes in commodity prices will affect the Company's oil sales, cash flows or the value of its financial instruments. The objective of commodity price risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

The Company is exposed to changes in oil prices which impact its revenues and to changes in natural gas process which impact its operating expenses.

The Company does not utilize financial derivatives or other contracts to manage commodity price risks.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price).

Fair value measurements are categorized using a valuation hierarchy for disclosure of the inputs used to measure fair value, which prioritize the inputs into three broad levels:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions for the asset or liability occur in sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in level 1, which are either directly or indirectly observable as of the reported date, and include those financial instruments that are valued using models or other valuation methodologies.

Level 3 - Pricing inputs include significant inputs that are generally less observable from objective sources. These inputs may be used with internally developed methodologies that result in management's best estimate of fair value.

(k) Subsequent Events:

The Company evaluates subsequent events through the date the consolidated financial statements are issued.

(l) Recent Accounting Pronouncements:

In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014–09, *Revenue from Contracts with Customers*. Amendments in this Update create Topic 606, *Revenue from Contracts with Customers,* and supersede the revenue recognition requirements in Topic 605, *Revenue Recognition,* including most industry–specific revenue recognition guidance throughout the Industry Topics of the Codification. In addition, the amendments supersede the cost guidance in Subtopic 605–35, Revenue Recognition—Construction–Type and Production–Type Contracts, and create new Subtopic 340–40, Other Assets and Deferred Costs—Contracts with Customers. In summary, the core principle of Topic 606 is that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2011–230 —Revenue Recognition (Topic 605) and Proposed Accounting Standards Update 2011–250—Revenue Recognition (Topic 605): Codification Amendments, both of which have been deleted. Accounting Standards Update 2014–09. The amendments in this Update are effective for the Company for annual reporting periods beginning after December 15, 2017, including interim periods within that reporting period. The Company is currently evaluating the effects of ASU 2014–09 on the consolidated financial statements.

In June 2014, FASB issued Accounting Standards Update 2014–12, *Compensation – Stock Compensation (*Topic 718), which clarifies accounting for share–based payments for which the terms of an award provide that a performance target could be achieved after the requisite service period. That is the case when an employee is eligible to retire or otherwise terminate employment before the end of the period in which a performance target could be achieved and still be eligible to vest in the award if and when the performance target is achieved. The updated guidance clarifies that such a term should be treated as a performance condition that affects vesting. As such, the performance target should not be reflected in estimating the grant–date fair value of the award. Compensation cost should be recognized in the period in which it becomes probable that the performance target will be achieved and should represent the compensation cost attributable to the periods for which the requisite service has already been rendered. The guidance will be effective for the annual periods (and interim periods therein) ending after December 15, 2015. Early application is permitted. The Company is currently evaluating the effects of ASU 2014–12 on the consolidated financial statements.

In August 2014, the Financial Accounting Standards Board issued Accounting Standards Update 2014–15, *Presentation of Financial Statements – Going Concern*. The Update provides U.S. GAAP guidance on management's responsibility in evaluating whether there is substantial doubt about a company's ability to continue as a going concern and about related footnote disclosures. For each reporting period, management will be required to evaluate whether there are conditions or events that raise substantial doubt about a company's ability to continue as a going concern within one year from the date the financial statements are issued. This Accounting Standards Update is the final version of Proposed Accounting Standards Update 2013–300—Presentation of Financial Statements (Topic 205): Disclosure of Uncertainties about an Entity's Going Concern Presumption, which has been deleted. The Company is currently evaluating the effects of ASU 2014–15 on the consolidated financial statements.

In November 2014, the FASB issued Accounting Standards Update No. 2014-16 (ASU 2014-16), *Determining Whether the Host Contract in a Hybrid Financial Instrument Issued in the Form of a Share Is More Akin to Debt or to Equity*. The amendments in this ASU do not change the current criteria in U.S. GAAP for determining when separation of certain embedded derivative features in a hybrid financial instrument is required. The amendments clarify that an entity should consider all relevant terms and features, including the embedded derivative feature being evaluated for bifurcation, in evaluating the nature of the host contract. The ASU applies to all entities that are issuers of, or investors in, hybrid financial instruments that are issued in the form of a share and is effective for public business entities for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2015. Early adoption is permitted. The Company is currently evaluating the effects of ASU 2014–16 on the consolidated financial statements.

In November 2014, the Financial Accounting Standards Board ("*FASB*") issued Accounting Standards Update ("*ASU*") 2014-17 *Business Combinations* (Topic 805), *Pushdown Accounting*. The amendment provides that acquired entities have the option to apply pushdown accounting in its separate financial statements upon occurrence of an event in which an acquirer obtains control of an acquired entity. The acquired entity will have the option to elect to apply pushdown accounting in a subsequent reporting period and would be treated as a change in accounting principle. Additional disclosures are required to enable the users of the financial statements to evaluate the effect of pushdown accounting. The Company is currently evaluating the effects of ASU 2014–17 on the consolidated financial statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying consolidated financial statements.

5. Restricted Cash

Restricted cash as of April 30, 2015 consists of a certificate of deposit with one of the Company's financial institutions. The certificate of deposit, which was extended until December 31, 2015, was purchased pursuant to a cooperative agreement with a regional utility provider in Oklahoma.

6. Oil and Gas Assets

The following table summarizes the oil and gas assets by project:

Cost	Oklahoma	Kansas	Missouri	Montana	Other	Total
Balance May 1, 2013	$ -	$ 12,329,098	$ 918,991	$ 75,000	$ 100,000	$ 13,423,089
Additions	-	327,002	-	-	-	327,002
Depreciation, depletion and amortization	-	(94,526)	-		-	(94,526)
Impairment of oil and gas assets		(4,638,973)		(75,000)		(4,638,973)
Balance April 30, 2014	-	7,922,601	918,991	-	100,000	8,941,592
Additions	8,751,867	1,747	-	-	-	8,753,614
Depreciation, depletion and amortization	(569,892)	(121,328)	-	-	-	(691,220)
Impairment of oil and gas assets	(1,246,975)					(1,246,975)
Balance April 30, 2015	$ 6,935,000	$ 7,803,020	$ 918,991	$ -	$ 100,000	$ 15,757,011

Oklahoma

On May 30, 2014, the Company, entered into a Subscription Agreement, pursuant to which the Company purchased a 50% interest in Bandolier. Bandolier's oil and gas assets are located in in Osage County, Oklahoma and comprise a significant contiguous oil and gas acreage position in Northeastern Oklahoma, approximately 106,880 acres, with substantial original oil in place, stacked reservoirs, as well as exploratory and development opportunities that can be accessed through both horizontal and vertical drilling. Significant infrastructure is already in place including 32 square miles of 3D seismic, 3 phase power, a dedicated sub-station as well as multiple oil producing horizontal wells. As a result of this transaction, the Company capitalized $2,460,632 in proved developed oil and gas assets and $5,921,641 in proven undeveloped oil and gas assets. During the year ended April 30, 2015, Bandolier purchased additional oil and gas assets totaling $369,594. As of April 30, 2015, the Company performed a ceiling test on the Oklahoma oil and gas assets. As a result, the Company recognized an impairment charge of $1,246,975.

Kansas

Through proceeds received from the issuance of various promissory notes, on February 1, 2012 Petro purchased various interests in oil and gas leases, wells, records, data and related personal property located along the Mississippi Lime play in the state of Kansas from Metro, a Louisiana company and other interrelated entities through a court approved order as Metro was undergoing Chapter 11 Bankruptcy proceedings as a Debtor-In-Possession of these various oil and gas assets. Petro purchased these assets for cash considerations of $2.0 million as well as a 25% non-managing membership interest in the Company. During the year ended April 30, 2015, the Company engaged Energy Source Advisors to renew a number of the leases acquired in the Metro purchase and to lease additional acreage. As a result of the asset purchase from Metro and the completion of the additional lease renewals and additional acreage purchases, the Company obtained a total of 115,000 gross (85,000 net acres) of leases, having unproven reserves at the time of acquisition, in the Mississippi Lime play in Southeast Kansas for total cost of $12.2 million. The Company also acquired over 60 square miles of proprietary 3D seismic data over prospective Mississippi Lime acreage in the same area. During the year ended April 30, 2014, management engaged an independent third party to test the Kansas assets for impairment. Throughout the year, management was not aware of any impairment indicators, but during the annual impairment test, the third party specialist concluded that the Kansas assets were impaired by $4,638,973, principally due to comparable acreage values. No further impairment was recorded on these assets during the year ended April 30, 2015.

Missouri

At April 30, 2015, the Company's Missouri lease holdings totaled 389 gross acres with 98.4% working interest on its Grassy Creek asset. The Company no longer owns its Marmaton River asset. Petro Rive has engaged a local operating partner to conduct small scale testing through their own funding source on this property and it is anticipated this partner will operate this asset going forward.

Historically, on separate pilot projects at Deerfield, the Company built two 500 barrel of oil per day steam drive production facilities (Marmaton River and Grassy Creek) comprised of 116 production wells, 39 steam injection wells and 14 service and observation wells. Throughout the Deerfield area, the Company has drilled 73 exploration/delineation wells with a 67% success rate.

As of April 30, 2015 and 2014, all Missouri assets were carried at salvage value, since the Company's current business plans do not contemplate raising the necessary capital to develop these properties. The Company is in current discussions with third parties to use the acreage as a testing site for heavy oil solutions with contemplated profit sharing opportunities.

Other

Other property consists primarily of four used steam generators and related equipment that will be assigned to future projects. As of April 30, 2015, management concluded that impairment was not necessary as all other assets were carried at salvage value.

7. Intangible Assets

The Company's primary additional asset is Petro Spring, a wholly owned technology focused subsidiary of the Company. It was launched with an intentionally broad mandate to acquire and commercialize cutting edge technologies with the intent to capitalize on the significant technological experience of its leadership team and network of industry relationships within the energy sector.

The Company's intangibles assets consisted of the following:

	Estimated useful life	April 30, 2015
Patent rights	15 years	$ 2,223,686
Less: Accumulated amortization		(20,293)
Intangible assets, net		$ 2,203,393

The Company recorded amortization expense of $20,293 and $0 for the years ended April 30, 2015 and 2014, respectively.

The following table outlines estimated future annual amortization expense for the next five years and thereafter:

April 30,	
2016	$ 148,246
2017	148,246
2018	148,246
2019	148,246
2020	148,246
Thereafter	1,462,163
	$ 2,203,393

8. Asset Retirement Obligations

The total future asset retirement obligation was estimated based on the Company's ownership interest in all wells and facilities, the estimated legal obligations required to retire, dismantle, abandon and reclaim the wells and facilities and the estimated timing of such payments. The Company estimated the present value of its asset retirement obligations at both April 30, 2015 and 2014, based on a future undiscounted liability of $1,143,857 and $1,087,292, respectively. These costs are expected to be incurred within one to 24 years. A credit-adjusted risk-free discount rate of 10% and an inflation rate of 2% were used to calculate the present value.

Changes to the asset retirement obligation were as follows:

	April 30, 2015	April 30, 2014
Balance, beginning of period	$ 818,010	$ 763,036
Additions	52,514	-
Accretion	47,906	54,974
	918,430	818,010
Less: Current portion for cash flows expected to be incurred within one year	(541,959)	(481,658)
Long-term portion, end of period	$ 376,471	$ 336,352

Expected timing of asset retirement obligations:

Year Ending April 30,		
2016		541,959
2017		212,000
2018		-
2019		-
2020		-
Thereafter		389,898
		1,143,857
Effect of discount		(225,427)
Total	$	918,430

As of April 30, 2015 and 2014, the Company has $0 of reclamation deposits with authorities to secure certain abandonment liabilities.

9. Related Party Transactions

Employment Agreements

a) Upon completion of the Share Exchange, the Company entered into an Employment Agreement with Scot Cohen, the Company's Executive Chairman (the "*Employment Agreement*"). On November 20, 2013, the Company amended the Employment Agreement with Scot Cohen. Based on this amendment, the Company granted Mr. Cohen 41,666,667 fair value options to purchase an equal amount of shares of common stock of the Company. The options have a term of 10 years and an exercise price of $0.059. These options will vest in five equal installments, with the first 20% vesting immediately upon grant (as consideration for the service period from April 29, 2013 to November 20, 2013), and the remaining options vesting in four equal installments on the anniversary of the grant date.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the award was $2,006,227. For the years ended April 30, 2015 and 2014, the Company expensed $401,245 and $576,034, respectively, to general and administrative expenses.

b) On November 22, 2013, Petro River Oil Corp. entered into an employment agreement with Ruben Alba. Under the terms of this agreement, Mr. Alba will receive an annual base salary of $120,000. Mr. Alba was also granted 12,500,000 stock options of the Company pursuant to the Company's 2012 Equity Compensation Plan (the "Plan"), to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to the following conditions: (i) the adoption by the Company of an amendment to the Plan, approved by a vote of the shareholders of the Company, to increase the number of shares permitted to be granted under the Plan, and to put in place a stock option grant limitation in accordance with §162(m) of the Internal Revenue Code of 1986, as amended; and (ii) Mr. Alba's continued employment with the Company.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the award was $575,839. For the years ended April 30, 2015 and 2014, the Company expensed $115,168 and $165,337, respectively, to general and administrative expenses.

c) On November 22, 2013, the Company entered into an employment agreement with Gary Williky on November 20, 2013. Under the terms of this agreement, Mr. Williky will receive an annual base salary of $120,000. Mr. Williky was also granted 6,250,000 stock options of the Company pursuant to the Plan, to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to the following conditions: (i) the adoption by the Company of an amendment to the Plan, approved by a vote of the shareholders of the Company, to increase the number of shares permitted to be granted under the Plan, and to put in place a stock option grant limitation in accordance with §162(m) of the Internal Revenue Code of 1986, as amended; and (ii) Mr. Williky's continued employment with the Company.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the award was $287,919. For the years ended April 30, 2015 and 2014, the Company expensed $57,584 and $82,668, respectively to general and administrative expenses.

d) On November 25, 2013, the Company entered into an employment agreement with Luis Vierma. Under the terms of this agreement, Mr. Vierma will receive an annual base salary of $84,000. Mr. Vierma was also granted 6,250,000 stock options of the Company pursuant to the Plan, to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to the following conditions: (i) the adoption by the Company of an amendment to the Plan, approved by a vote of the shareholders of the Company, to increase the number of shares permitted to be granted under the Plan, and to put in place a stock option grant limitation in accordance with §162(m) of the Internal Revenue Code of 1986, as amended; and (ii) Mr. Vierma's continued employment with the Company. On May 27, 2015, the Company ended its relationship with Mr. Vierma due to a corporate restructuring. As of May 27, 2015, Mr. Vierma was vested into 3,322,917 of the options.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the award was $287,919. For the years ended April 30, 2015 and 2014, the Company expensed $57,584 and $82,668, respectively, to general and administrative expenses.

e) On November 26, 2013, the Company entered into a consulting agreement with Brio Financial Group ("Brio") and its Managing Member, David Briones, was appointed the Chief Financial Officer of the Company on August 15, 2013. Under the terms of this agreement, Brio will receive a monthly consulting fee of $7,500, as well as a grant of 750,000 stock options of the Company pursuant to the Plan. The options will vest in six installments. The first 125,000 options vested immediately upon execution of the consulting agreement, and the remaining 5 installments will vest monthly, on the 26th of each subsequent month.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 65%; and a discount rate of 0.12%. The grant date fair value of the award was $8,764. For the years ended April 30, 2015 and 2014, the Company expensed $1,022 and $7,742 to general and administrative expenses.

f) On November 27, 2013, the Company entered into an employment agreement with Daniel Smith. Under the terms of this agreement, Mr. Smith will receive an annual base salary of $120,000. Mr. Smith was also granted 12,500,000 stock options of the Company pursuant to the Company's Plan to vest in five equal installments. The first installment vested immediately upon granting. The final four installments will vest on the anniversaries of the initial grant date, subject to the following conditions: (i) the adoption by the Company of an amendment to the Plan, approved by a vote of the shareholders of the Company, to increase the number of shares permitted to be granted under the Plan, and to put in place a stock option grant limitation in accordance with §162(m) of the Internal Revenue Code of 1986, as amended; and (ii) Mr. Smith's continued employment with the Company.

The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the award was $575,839. For the years ended April 30, 2015 and 2014, the Company expensed $115,168 and $165,337, respectively, to general and administrative expenses.

g) On February 18, 2015, in conjunction with the Havelide and Coalthane purchases, the Company entered into an employment agreement with Steven Boyd, the developer of the Havelide and Coalthane technologies. Under the terms of this agreement, Mr. Boyd will receive an annual base salary of $120,000.

Board of Director Grants

On November 20, 2013, the Company's Board of Directors authorized the grants of 3,389,832 stock options to four members of the Board. The option grants have an exercise price equal to the closing price of shares of the Company's common stock as of the date of the grant. All options granted vested immediately upon grant and have a maturity of ten years.

The Company computed the economic benefit of the grants as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.059; exercise price of $0.059; expected volatility of 96%; and a discount rate of 2.80%. The grant date fair value of the awards was $147,442. For the years ended April 30, 2105 and 2014, the Company expensed $0 and $147,442, respectively, to general and administrative expenses.

Separation and Release Agreement

In addition, in June and July of 2013, the Company signed a series of agreements with Jeffrey Freedman, former Chief Executive Officer, in relation to his departure from the Company. Pursuant to these agreements, the Company has provided to Mr. Freedman the sum of $12,000 and issued 465,116 options to purchase common stock with a $56,047 aggregate fair value as of the July 24, 2013 option grant date. These options will expire on July 23, 2016 and have an exercise price of $0.215. The Company computed the economic benefit of the grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.215; exercise price of $0.215; expected volatility of 88%; and a discount rate of 0.64%. The options were immediately vested and the Company recorded the $56,047 to general and administrative expense on the date of grant.

10. Stockholders' Equity

As of April 30, 2015 and 2014, the Company had 5,000,000 shares of blank check preferred stock authorized with a par value of $0.00001 per share. None of the blank check preferred shares were issued or outstanding.

As of April 30, 2015 and 2014, the Company had 29,500 shares of preferred B shares authorized with a par value of $0.00001 per share. No preferred B shares are issued or outstanding.

As discussed in Note 1, the Company executed the Havelide Purchase Agreement and issued to Havelide 13,333,333 shares of common stock of the Company in consideration for the Havelide Assets. The shares of the Company's common stock were valued at approximately $520,000 based on the closing price of the Company's common stock on February 27, 2015.

As discussed in Note 1, the Company executed the Coalthane Purchase Agreement and issued to Coalthane 20,000,000 shares of common stock of the Company in consideration for the Coalthane Assets. The shares of the Company's common stock were valued at approximately $780,000 based on the closing price of the Company's common stock on February 27, 2015.

11. Stock Options

As of April 30, 2015, the Company has one equity incentive plan. The number of shares reserved for issuance in aggregate under the plan is limited to 120 million shares. The exercise price, term and vesting schedule of stock options granted are set by the Board of Directors at the time of grant. Stock options granted under the plan may be exercised on a cashless basis, if such exercise is approved by the Board. In a cashless exercise, the employee receives a lesser amount of shares in lieu of paying the exercise price based on the quoted market price of the shares on the trading day immediately preceding the exercise date.

As of April 30, 2014, the Company had a total of 88,038,281 options outstanding and 24,204,947 exercisable with a weighted average exercise price of $0.06.

As of April 30, 2015, the Company had a total of 108,188,281 options outstanding and 31,648,280 exercisable with a weighted average exercise price of $0.06.

The following table summarizes information about the options outstanding and exercisable at April 30, 2015:

	Options	Weighted Average Exercise Prices
Outstanding – April 30, 2013	290,000	$ 0.50
Exercisable – April 30, 2013	290,000	$ 0.50
Granted	87,938,281	$ 0.06
Exercised	-	$ -
Forfeited/Cancelled	(190,000)	$ 0.50
Outstanding April 30, 2014	88,038,281	$ 0.06
Granted	21,000,000	$ 0.53
Exercised	-	$ -
Forfeited/Cancelled	(750,000)	$ 0.06
Outstanding April 30, 2015	108,188,281	$ 0.06
Exercisable – April 30, 2015	31,648,280	$
Outstanding - Aggregate Intrinsic Value		$ -
Exercisable - Aggregate Intrinsic Value		$ -

The following table summarizes information about the options outstanding and exercisable at April 30, 2015:

	Options Outstanding			Options Exercisable	
Exercise Price	**Options**	**Weighted Avg. Life Remaining**	**Weighted Avg. Exercise Price**	**Options**	**Weighted Avg. Exercise Price**
$ 0.22	465,116	0.01 years	$ 0.22	465,116	$ 0.22
$ 0.06	107,723,165	8.79 years	$ 0.06	31,183,164	$ 0.06
	108,188,281			31,648,280	
Aggregate Intrinsic Value			$ -		$ -

During the years ended April 30, 2015 and 2014, the Company expensed an aggregate $1,135,417 and $1,501,766 to general and administrative expenses for stock based compensation pursuant to employment and consulting agreements.

As of April 30, 2015, no intrinsic value was attributable to stock-based compensation.

Other than the issuances disclosed in Note 8 and below, during the year ended April 30, 2015, the Company had no other stock based compensation expense.

As of April 30, 2015, the Company has $2,658,120 in unrecognized stock based compensation expense which will be amortized over a weighted average exercise period of 1.85 years.

Advisor Grants:

On September 24, 2014, the Board of Directors authorized the grant of 19,000,000 fair value options to five consultants. The option grants have an exercise price equal to the closing price of shares of the Company's common stock as of the date of the grant. One consultant was granted 5,000,000 fair value options and the second consultant was granted 2,500,000 fair value options, the third consultant was granted 3,000,000 fair value options and the fourth was granted 6,500,000 fair value stock options. All options granted vested over 4 years with 20 percent vested immediately upon grant. Additionally, one consultant was granted 2,000,000 fair value options that vest over one year with one-twelfth vesting immediately. All options granted mature in ten years.

The Company computed the economic benefit of the above grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.057; Exercise price of $0.057; expected volatility of 174%; and a discount rate of 2.57%. The grant date fair value of the awards was $1,075,072. For the year ended April, 2015, the Company expensed $354,200 to general and administrative expenses as part of stock-based compensation.

On January 23, 2015, one consultant was granted 2,000,000 fair value options that vest over a six month period with 20 percent vesting immediately. The option grants have an exercise price equal to the closing price of shares of the Company's common stock as of the date of the grant and mature in ten years.

The Company computed the economic benefit of the above grant as of the date of grant utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.028; Exercise price of $0.028; expected volatility of 178%; and a discount rate of 1.81%. The grant date fair value of the award was $55,746. For the year ended April 30, 2015, the Company expensed $33,447, respectively, to general and administrative expenses as part of stock-based compensation.

On November 20, 2013, the Board of Directors authorized the grant of fair value options to two consultants. The option grants have an exercise price equal to the closing price of shares of the Company's common stock as of the date of the grant. One consultant was granted 2,333,333 fair value options and the second consultant was granted 1,833,333 fair value options. All options granted vested immediately upon grant and mature in ten years.

Warrants:

As discussed in Note 1, under the terms of the Havelide Purchase Agreement, the Company issued to Havelide 13,333,333 shares of common stock of the Company and a warrant to purchase an additional 26,666,667 shares of common stock at an exercise price of $0.25 per share. The Company computed the economic benefit of the above warrant grant as of February 18, 2015 utilizing a Black-Scholes option-pricing model. The Company utilized the following assumptions: common share value based on the fair value of the Company's common stock as quoted on the Over the Counter Bulletin Board, $0.039; Exercise price of $0.25; expected volatility of 176%; and a discount rate of 1.50%. The grant date fair value was $923,685.

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining
Outstanding and exercisable – April 30, 2013	230,000	0.50	0.65
Forfeited	(230,000)	-	-
Granted	40,625,000	0.14	1.62
Outstanding and exercisable – April 30, 2014	40,625,000	0.14	1.62
Forfeited	-	-	-
Granted	26,666,667	0.25	5.0
Outstanding and exercisable – April 30, 2015	67,291,667	0.10	2.29

The aggregate intrinsic value of the warrants was $0.

12. Segment Information

Petro presently has two reportable business segments, that being oil and gas exploration and exploitation, and the second is technology. The technology segment consists of $2,203,393 in intangible assets. Management has not commenced technology operations, other than purchasing the assets. Petro's corporate and administrative operations are conducted in both Canada and the United States, while predominantly all of the oil and gas properties and operations are located in the United States.

	Year ended April 30, 2015		
	Canada	USA	Consolidated
Revenue	$ -	$ 2,127,576	$ 2,127,576
Expenses	-	(8,427,155)	(8,472,155)
Net loss	-	(6,344,579)	(6,344,579)
Oil and gas assets	100,000	15,657,011	15,757,011
Property and equipment	-	60,953	60,953

	Year ended April 30, 2014		
	Canada	USA	Consolidated
Revenue	$ -	$ 372,179	$ 372,179
Expenses	-	(9,325,708)	(9,325,708)
Net loss	-	(8,953,529)	(8,953,529)
Oil and gas assets	100,000	8,841,592	8,941,592
Property and equipment	-	930	930

13. Income Taxes

As of April 30, 2015 and April 30, 2014, the Company had approximately \$9.42 million and \$6.4 million of net operating loss carryovers ("*NOLs*") which expire beginning in 2027. The U.S. net operating loss carryovers are subject to limitation under Internal Revenue Code Section 382 should there be a greater than 50% ownership change as determined under the regulations. Management has determined that a change in ownership occurred as a result of the Share Exchange on April 23, 2013. Therefore, the net operating loss carryovers are subject to an annual limitation of approximately \$156,000. The Company impaired the NOLs at the time of the change of ownership. Further the Company was limited in the recognition of a pre-acquistion loss deduction due to a net built in loss in 2014 at the time of the ownership change.

The income tax expense (benefit) consists of the following:

	For the year ended April 30, 2015	For the year ended April 30, 2014
Foreign		
Current	$ -	$ -
Deferred	-	-
U.S. Federal		
Current	-	-
Deferred	11,522,597	(3,373,053)
U.S. State & Local		
Current	-	-
Deferred	1,085,319	(458,338)
Change in valuation allowance	(12,607,916)	3,831,391
Income tax provision (benefit)	$ -	$ -

In assessing the realization of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on this assessment management has established a full valuation allowance against all of the deferred tax assets for every period, since it is more likely than not that all of the deferred tax assets will not be realized.

The Company's deferred tax assets (liabilities) consisted of the effects of temporary differences attributable to the following:

	April 30, 2015	April 30, 2014
U.S. Net operating loss carryovers	$ 3,421,532	$ 2,473,922
Depreciation	2,450,785	16,897,095
Bandolier LLC flow-through	463,906	-
Accretion of asset retirement obligation	341,679	315,915
Stock-based compensation	981,097	579,982
Total deferred tax assets	$ 7,658,999	$ 20,266,915
Valuation allowance	7,658,999)	(20,266,915)
Deferred tax asset, net of valuation allowance	$ -	$ -

The expected tax expense (benefit) based on the statutory rate is reconciled with actual tax expense benefit as follows:

	For the year ended April 30, 2015	For the year ended April 30, 2014
U.S. federal statutory rate	(34.00)%	(34.00)%
State income tax, net of federal benefit	(3.20)%	(4.62)%
Change in rate	11.72%	-
Net realized built in loss limitation	221.36%	-
Other permanent differences	2.84%	(4.17)%
Change in valuation allowance	(198.72)%	42.79%
Income tax provision (benefit)	0.00 %	0.00%

14. Contingency and Contractual Obligations

As a result of the Share Exchange, the Company inherited the following contingencies:

(a) In January 2010, the Company experienced a flood in its Calgary office premises as a result of a broken water pipe. There was significant damage to the premises rendering them unusable until the landlord had completed remediation. Pursuant to the lease contract, the Company asserted that rent should be abated during the remediation process and accordingly, the Company did not pay any rent after December 2009. During the remediation process, the Company engaged an independent environmental testing company to test for air quality and for the existence of other potentially hazardous conditions. The testing revealed the existence of potentially hazardous mold and the consultant provided specific written instructions for the effective remediation of the premises. During the remediation process, the landlord did not follow the consultant's instructions and correct the potentially hazardous mold situation and subsequently in June 2010 gave notice and declared the premises to be ready for occupancy. The Company re-engaged the consultant to re-test the premises and the testing results again revealed the presence of potentially hazardous mold. The Company determined that the premises were not fit for re-occupancy and considered the landlord to be in default of the lease and the lease terminated.

On January 30, 2014 the landlord filed a Statement of Claim against the Company for rental arrears in the amount aggregating approximately CAD $759,000. On October 20, 2014, the Company filed a summary judgment application stating that the landlord's claim is barred as it was commenced outside the 2-year statute of limitation period under the Alberta Limitations Act. The landlord subsequently filed a cross-application to amend its Statement of Claim to add a claim for loss of prospective rent in an amount of approximately CAD $665,000. The applications were heard on June 25, 2015. The court reserved its decision and there is no specific timeline by which it must render a ruling.

(b) In September 2013, the Company was notified by the Railroad Commission of Texas (the "*Commission*") that the Company was not in compliance with regulations promulgated by the Commission. The Company was therefore deemed to have lost its corporate privileges within the State of Texas and as a result, all wells within the state would have to be plugged. The Commission therefore collected $25,000 from the Company, which was originally deposited with the Commission, to cover a portion of the estimated costs of $88,960 to plug the wells. In addition to the above, the Commission also reserved its right to separately seek any remedies against the Company resulting from its noncompliance.

(c) On August 11, 2014, Martha Donelson and John Friend amended their complaint in an existing lawsuit by filing a class action complaint styled: *Martha Donelson and John Friend, et al. v. United States of America, Department of the Interior, Bureau of Indian Affairs and Devon Energy Production, LP, et al.,* Case No. 14-CV-316-JHP-TLW, United States District Court for the Northern District of Oklahoma (the "*Proceeding*"). The plaintiffs added as defendants twenty-seven (27) specifically named operators, including the Company, as well as all Osage County lessees and operators who have obtained a concession agreement, lease or drilling permit approved by the Bureau of Indian Affairs ("*BIA*") in Osage County allegedly in violation of National Environmental Policy Act ("*NEPA*"). Plaintiffs seek a declaratory judgment that the BIA improperly approved oil and gas leases, concession agreements and drilling permits prior to August 12, 2014, without satisfying the BIA's obligations under federal regulations or NEPA, and seek a determination that such oil and gas leases, concession agreements and drilling permits are void *ab initio*. Plaintiffs are seeking damages against the defendants for alleged nuisance, trespass, negligence and unjust enrichment. The potential consequences of such complaint could jeopardize the corresponding leases.

On October 7, 2014 Spyglass, along with other defendants, filed a motion to dismiss the August 11, 2104 Proceeding on various procedural and legal arguments. Plaintiffs filed their response to the motion to dismiss on October 27, 2014. Spyglass filed its reply brief on November 10, 2014 and the plaintiffs were granted leave until November 19, 2014 to file a reply to Splyglass's reply brief. Once the briefing cycle concluded on November 19, 2014, the motion to dismiss became ripe for determination by the court. Oral arguments may be ordered by the court. There is no specific timeline by which the court must render a ruling.

(d) Mega West Energy Missouri Corp. ("*Mega West*"), a wholly owned subsidiary of the Company, is involved in two cases related to oil leases in West Central, Missouri. The first case (*James Long and Jodeane Long v. Mega West Energy Missouri and Petro River Oil Corp.*, case number 13B4-CV00019) is a case for unlawful detainer, pursuant to which the plaintiffs contend that Mega West oil and gas lease has expired and Mega West is unlawfully possessing the plaintiffs real property by asserting that the leases remain in effect. The case was originally filed in Vernon County, Missouri on September 20, 2013. Mega West filed an Answer and Counterclaims on November 26, 2013 and the plaintiffs filed a motion to dismiss the counterclaims. Mega West filed a motion for Change of Judge and Change of Venue and the case was transferred to Barton County. The court granted the motion to dismiss the counterclaims on February 3, 2014. As to the other allegations in the complaint, the matter is still pending.

Mega West filed a second case on October 14, 2014 (*Mega West Energy Missouri Corp. v. James Long, Jodeane Long, and Arrow Mines LLC*, case number 14VE-CV00599). This case is pending in Vernon County, Missouri. Although the two cases are separate, they are interrelated. In the Vernon County case, Mega West has made claims for: (1) replevin for personal property; (2) conversion of personal property; (3) breach of the covenant of quiet enjoyment regarding the lease; (4) constructive eviction of the lease; (5) breach of fiduciary obligation against James Long; (6) declaratory judgment that the oil and gas lease did not terminate; and (7) injunctive relief to enjoin the action pending in Barton County, Missouri. The plaintiffs filed a motion to dismiss on November 4, 2014, and Arrow Mines, LLC filed a motion to dismiss on November 13, 2014. Both motions remain pending, and Mega West will file an opposition to the motions in the near future.

(e) The Company is from time to time involved in legal proceedings in the ordinary course of business. It does not believe that any of these claims and proceedings against it is likely to have, individually or in the aggregate, a material adverse effect on its financial condition or results of operations.

15. Subsequent Events

Approval of Reverse Stock Split. At its 2015 annual meeting of stockholders held on July 8, 2015, stockholders approved resolution to authorize the Company's Board of Directors, in its sole and absolute discretion, without further action of the stockholders, to amend our Certificate of Incorporation to (i) implement a reverse stock split of our common stock at a ratio of not less than 1-for-2, and not greater than 1-for-250, within one year from the date of the annual meeting, with the exact ratio to be determined by the Board of Directors (the "*Reverse Split*"); and (ii) immediately following the Reverse Split, increase the total number of authorized shares of our Common Stock to 100.0 million. As of August 13, 2015, the Company has not formally applied for a reverse split.

Termination of Renzhi MOU. On July 9, 2014 the Company and Sichuan Renzhi Oilfield Technology Services Co. Ltd., a corporation incorporated under the laws of The People's Republic of China and traded on the Shenzhen Stock Exchange ("*Renzhi*") entered into a memorandum of understanding ("*MOU*") for the sale of one of the Company's wholly owned subsidiaries to Renzhi and the joint development by the Company and Renzhi of oil and gas technology and properties (collectively, the "*Transactions*"). As of June 30, 2015, the Company has ceased all discussions and negotiations with Renzhi, including discussions regarding the completion of the Transactions contemplated by the MOU.

16. Supplemental Information on Oil and Gas Operations (Unaudited)

This supplementary oil and natural gas information is provided in accordance with the United States Financial Accounting Standards Board ("FASB") Topic 932 - "Extractive Activities - Oil and Gas".

The Company retains qualified independent reserves evaluators to evaluate the Company's proved oil reserves. For the year ended April 30, 2015 the report by Pinnacle Energy Services, LLC. ("Pinnacle") covered 100% of the Company's proved oil reserves. During the year ended April 30, 2014, the Company did not report having any proved oil reserves.

Proved oil and natural gas reserves, as defined within the SEC Rule 4-10(a)(22) of Regulation S-X, are those quantities of oil and gas, which, by analysis of geoscience and engineering data can be estimated with reasonable certainty to be economically producible from a given date forward from known reservoirs, and under existing economic conditions, operating methods and government regulations prior to the time of which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether determinable or probabilistic methods are used for the estimation. The project to extract the hydrocarbons must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Developed oil and natural gas reserves are reserves that can be expected to be recovered from existing wells with existing equipment and operating methods or in which the cost of the required equipment is relatively minor compared to the cost of a new well; and through installed extraction equipment and infrastructure operational at the time of the reserves estimate is the extraction is by means not involving a well. Estimates of the Company's oil reserves are subject to uncertainty and will change as additional information regarding producing fields and technology becomes available and as future economic and operating conditions change.

The following tables summarize the Company's proved developed and undeveloped reserves (all oil) within the United States, net of royalties, as of April 30, 2015 and 2014:

Oil (MBbls)	2015	2014
Proved reserves as at May 1	-	-
Extensions, Acquisitions and discoveries	508	-
Dispositions	-	-
Production	-	-
Revisions of prior estimates	-	-
Total Proved reserves as at April 30	508	-

Oil (MBbls)	2015	2014
Proved developed producing	35	-
Non-producing	286	-
Proved undeveloped	187	-
Total Proved reserves as at April 30	508	-

Capitalized Costs Related to Oil and Gas Assets	2015	2014
Proved properties	$ 8,062,394	$ -
Unproved properties	13,555,565	13,555,565
	21,617,959	13,555,565
Less: accumulated impairment	(5,960,948)	(4,713,973)
	$ 15,657,011	$ 8,841,592

Costs incurred in Oil and Gas Activities:	2015	2014
Development	$ 8,701,100	$ 327,002
Exploration	-	-
	$ 8,71,100	$ 327,002

The following standardized measure of discounted future net cash flows from proved oil reserves has been computed using the average first-day-of-the-month price during the previous 12-month period, costs as at the balance sheet date and year-end statutory income tax rates. A discount factor of 10% has been applied in determining the standardized measure of discounted future net cash flows. The Company does not believe that the standardized measure of discounted future net cash flows will be representative of actual future net cash flows and should not be considered to represent the fair value of the oil properties. Actual net cash flows will differ from the presented estimated future net cash flows due to several factors including:

- Future production will include production not only from proved properties, but may also include production from probable and possible reserves;
- Future production of oil and natural gas from proved properties may differ from reserves estimated;
- Future production rates may vary from those estimated;
- Future rather than average first-day-of-the-month prices during the previous 12-month period and costs as at the balance sheet date will apply;
- Economic factors such as changes to interest rates, income tax rates, regulatory and fiscal environments and operating conditions cannot be determined with certainty;
- Future estimated income taxes do not take into account the effects of future exploration expenditures; and
- Future development and asset retirement obligations may differ from those estimated.

Future net revenues, development, production and restoration costs have been based upon the estimates referred to above. The following tables summarize the Company's future net cash flows relating to proved oil reserves based on the standardized measure as prescribed in FASB Topic 932 - "Extractive Activities - Oil and Gas":

Future cash flows relating to proved reserves:	2015	2014
Future cash inflows	$ 37,455,000	$ -
Future operating costs	(14,950,000)	-
Future development costs	(6,185,000)	-
Future income taxes	(2,385,000)	-
Future net cash flows	13,935,000	-
10% discount factor	(7,000,000)	-
Standardized measure	$ 6,935,000	$ -

Reconciliation of future cash flows relating to proved reserves:	2015	2014
Undiscounted value as of May 1	$ -	$ -
Extensions and discoveries	13,935,000	-
Revisions of pricing	-	-
Undiscounted value as of April 30	13,935,000	-
10% discount factor	(7,000,000)	-
Standardized measure	$ 6,935,000	$ -

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

PETRO RIVER OIL CORP.

By: */s/ Scot Cohen*
Name: Scot Cohen
Title: Executive Chairman

By: */s/ David Briones*
Name: David Briones
Title Chief Financial Officer

Date: August 13, 2015

POWER OF ATTORNEY

The registrant and each person whose signature appears below hereby appoint Scot Cohen as attorney-in-fact with full power of substitution, severally, to execute in the name and on behalf of the registrant and each such person, individually and in each capacity stated below, one or more amendments to the annual report which amendments may make such changes in the report as the attorney-in-fact acting deems appropriate and to file any such amendment to the report with the US Securities and Exchange Commission.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Scot Cohen Scot Cohen	Executive Chairman and Director (Principal Executive Officer)	August 13, 2015
/s/ David Briones David Briones	Chief Financial Officer (Principal Accounting Officer)	August 13, 2015
/s/ Glenn C. Pollack Glenn C. Pollack	Director	August 13, 2015
/s/ John Wallace John Wallace	Director	August 13, 2015
/s/ Fred Zeidman Fred Zeidman	Director	August 13, 2015

Index to Exhibits

Exhibit Number	Exhibit Description
3.1 (1)	Certificate of Incorporation of the Company
3.2 (1)	Bylaws of the Company
5.1	Opinion of the Disclosure Law Group (to be filed by amendment).
10.1 (2)	Securities Purchase Agreement of Petro River Oil LLC, dated as of April 23, 2013, by and among Petro River Oil Corp., Petro River Oil, LLC, the holders of outstanding secured promissory notes of Petro River Oil, LLC, the members of Petro River Oil, LLC and Mega Partners 1 LLC
10.2 (8)	Amended and Restated 2012 Equity Compensation Plan
10.3 (7)	Assignment and Assumption Agreement, dated as of May 30, 2014, by and between Bandolier Energy, LLC and PO1, LLC
10.4 (7)	Agreement, dated as of May 30, 2014, by and between Petro River Oil Corp. and Pearsonia West Investment Group, LLC
10.5 (2)	Employment Agreement, by and between Petro River Oil Corp. and Scot Cohen, dated April 23, 2013
10.6 (4)	Amendment No. 1 to the Employment Agreement, by and between Petro River Oil Corp. and Scot Cohen, dated November 20, 2013
10.7 (5)	Employment Agreement, by and between Petro River Oil Corp. and Ruben Alba, dated November 22, 2013
10.8 (5)	Employment Agreement, by and between Petro River Oil Corp. and Gary Wilkey, dated November 22, 2013
10.9 (5)	Employment Agreement, by and between Petro River Oil Corp. and Luis Vierma, dated November 22, 2013
10.10 (5)	Employment Agreement, by and between Petro River Oil Corp. and Daniel Smith, dated November 22, 2013
10.11 (2)	Form of Securities Purchase Agreement, dated April 23, 2013
10.12 (6)	Securities Purchase Agreement, by an between Petro River Oil Corp. and Petrol Lakes Holding Limited, dated December 12, 2013
10.13 (7)	Form of Bandolier Energy LLC Subscription Agreement, dated May 30, 2014
10.14 (7)	Securities Purchase Agreement, by and between Spyglass Energy Group, LLC, Nadel and Gussman, LLC, Charles W. Wickstrom, Shane E. Matson and Bandolier Energy, LLC, dated January 1, 2014
10.15 (7)	Assignment and Assumption Agreement, by an between Bandolier Energy, LLC and PO1, LLC, dated May 30, 2014
10.16 (7)	Agreement, by and between Petro River Oil Corp. and Pearsonia West Investment Group, LLC, dated May 30, 2014
10.17 (9)	Asset Purchase Agreement by and among Petro River Oil Corp, Petro Spring I, LLC, Havelide GTL LLC and certain shareholders, dated February 18, 2015.
10.18 (9)	Employment Agreement by and between the Company and Stephen Boyd, dated February 18, 2015
10.19 (9)	Form of Warrant
10.20 (10)	Asset Purchase Agreement by and among Petro River Oil Corp, Petro Spring II, LLC, Coalthane Tech LLC and certain shareholders, dated February 27, 2015.
14.1 (3)	Code of Business Conduct and Ethics
21.1 (2)	Subsidiaries
23.1	Consent of Independent Registered Public Accountant
24.1*	Power of Attorney (included on the Signature page of this Annual Report on Form 10-K)
31.1*	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
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 Labels Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

*	Attached hereto
(1)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on September 13, 2012.
(2)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on April 29, 2013.
(3)	Incorporated by reference to our Transition Report on Form 10-K filed with the Securities and Exchange Commission on August 28, 2013.
(4)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on November 22, 2013.
(5)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on November 27, 2013.
(6)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on December 16, 2013.
(7)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on June 5, 2014.
(8)	Incorporated by reference to our Annual Report on Form 10-K filed with the Securities and Exchange Commission on August 13, 2014.
(9)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on February 23, 2015.
(10)	Incorporated by reference to our Form 8-K filed with the Securities and Exchange Commission on March 5, 2015.

Exhibit 23.1

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in this Registration Statement of Petro River Oil Corp. on Form S-8 (File No. 333-199039) of our report, which includes an explanatory paragraph as to the Company's ability to continue as a going concern, dated August 13, 2015, with respect to our audits of the consolidated financial statements of Petro River Oil Corp. and Subsidiaries as of April 30, 2015 and 2014 and for the years ended April 30, 2015 and 2014, which report is included in this Annual Report on Form 10-K of Petro River Oil Corp. for the year ended April 30, 2015.

/s/ Marcum llp

Marcum llp
New York, NY
August 13, 2015

Exhibit 31.1

CERTIFICATION BY PRINCIPAL EXECUTIVE OFFICER

I, Scot Cohen, certify that:

1. I have reviewed this Annual Report on Form 10-K of Petro River Oil Corp.;

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 officers 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 we 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 annual report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter 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 officers 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: August 13, 2015

By: */s/ Scot Cohen*
Scot Cohen
Executive Chairman

Exhibit 31.2

CERTIFICATION BY PRINCIPAL FINANCIAL OFFICER

I, David Briones, certify that:

1. I have reviewed this Annual Report on Form 10-K of Petro River Oil Corp.;

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 officers 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 we 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 annual report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter 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 officers 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: August 13, 2015

By: */s/ David Briones*
David Briones
Chief Financial Officer

Exhibit 32.1

CERTIFICATION
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Petro River Oil Corp., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Annual Report on Form 10-K for the fiscal year ended April 30, 2015 (the "Form 10-K") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, and information contained in the Form 10-K fairly presents, in all material respects, the financial condition and results of operations of the Company at the dates and for the periods indicated.

Date: August 13, 2015

/s/ Scot Cohen
Scot Cohen
Executive Chairman

/s/ David Briones
David Briones
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.