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$
309,845

**
$
582,143

***
$
115,755

****

*The beneficial conversion discount was recorded as paid-in-capital and was amortized to interest expense over the two-year term of the notes or ratably upon any conversion. Amortization was $658,527 during the fiscal year ended September 2012, reflecting the amortization of all remaining amount during fiscal year 2012.
**Warrants allow the investor to purchase Common Stock at exercise prices ranging from $0.42 to $0.65 per share. We recorded as a debt discount and paid-in-capital for the issuance of warrants and was amortized to interest expense over the two year term of the notes or ratably upon any conversion. Amortization was $275,800 during the fiscal year ended September 30, 2012, reflecting the amortization of all remaining amounts during fiscal year 2012.
***An agreement was reached with certain investors to convert early after the Company agreed to reduce the conversion price of $1.6 million of notes from $0.59 to $0.45. We recorded a non-cash loss on conversion incentive of $582,143 during the fiscal year ended September 30, 2012 associated with this pricing.
****Deferred financing costs included $2,905 associated with the issuance of placement agent warrants to purchase an aggregate of 15,000 shares of Common Stock at exercise prices ranging from $.45 to $.61 per share. The warrants are immediately exercisable and have a term of two years from the date of grant. Amortization was $95,518 during the fiscal year ended September 30, 2012, reflecting the amortization of all remaining amounts during fiscal year 2012.

7. Commitments and Contingencies

Employment Agreements

We have employment agreements with three of our corporate officers, which provide for base salaries, participation in employee benefit programs including our stock option plans and severance payments for termination without cause.

Related Party Consulting Agreement

We had a month-to-month consulting agreement at a rate of $7,500 per month with a company owned by one of our directors who also serves as the Chairman of our Compensation committee. The consulting firm was providing assistance in the areas of due diligence, support as well as market opportunity identification and evaluation, Board of Director candidate identification and evaluation and other services as our Board may determine. The agreement was terminated in December 2012.

Rental Agreements

We rent approximately 1,100 square feet of office space in Lynnfield, Massachusetts, on a rolling six-month basis at $1,250 per month. For the years ended September 30, 2013 and 2012, total rental expense in connection with this office space lease amounted to $15,000 per year.

Our dual fuel conversion subsidiary leases office and warehousing space in Iowa from M&R Development ("M&R"), a company co-owned by an American Power Group employee. On October 1, 2011, we executed a 2 year lease agreement requiring monthly rental payments of $10,000 on a triple net basis. In conjunction with the 10% Convertible Preferred Stock financing, on May 1, 2012, we executed a new 3 year lease with M&R. Under the terms of the lease, monthly rental payments of $10,000 on a triple net basis are required for the first year and then increasing in years two and three by the percentage growth in the Greater Des Moines Consumer Price Index (or equivalent index) for the latest available twelve months prior to the date of the increase. We have the option to renew this lease for an additional two year term at a mutually agreed upon rate.

For the fiscal years ended September 30, 2013 and 2012, total related party rental expense in connection with non-cancellable real estate leases amounted to $142,297 and $143,248, respectively.

The total future minimum rental commitment at September 30, 2013 under the above related party office and warehousing space operating lease is as follows:

Years Ending September 30,	
2014	$ 120,000
2015	70,000
	$ 190,000

Lease Settlement Obligations

We are currently renting property located in Georgia relating to a former discontinued business. We have the right to terminate the Georgia lease with 6 months' notice but are obligated to continue to pay rent until the earlier to occur of (1) the sale by the landlord of the premises; (2) the date on which a new long term tenant takes over; or (3) three years from the date on which we vacate the property. As a result, we have recorded a lease settlement obligation of $574,058 representing the net present value of the 36 month maximum obligation due under the new amended agreement. We currently sublease a portion of the property to an entity which is paying $7,500 per month on a tenant-at-will basis. During fiscal years 2013 and 2012, we had rental income of $122,600 and $141,000, respectively, associated with the Georgia property and rental expense of $242,017 and $260,375, respectively. We are currently working with the tenant towards a goal of leasing the entire facility from the landlord.

The total future minimum rental obligations at September 30, 2013 under the above real estate operating lease is as follows:

Years Ending September 30,	
2014	$ 211,704
2015	211,704
2016	211,704
2017	—
	$ 635,112

8. Stockholders' Equity

Authorized Shares

On July 23, 2012, our shareholders approved an amendment to our Restated Certificate of Incorporation to increase the number of authorized shares of Common Stock from 100 million to 150 million shares.

Common Stock

In October 2011, holders of $843,500 in notes payable (including $343,500 due to related parties) agreed to extend the maturity of $250,000 of the notes to February 8, 2012 and the remaining balance to March 31, 2012. In consideration of these extensions, we issued 0.5 additional shares of unregistered Common Stock for each dollar invested in the offering or 421,750 additional shares of Common Stock to the holders in aggregate.

In November 2011, certain convertible note holders agreed to accept 153,241 shares of unregistered Common Stock (valued at $90,411) in lieu of cash for interest payments due the note holders.

In December 2011, we issued 100,000 shares of unregistered Common Stock (valued at $48,000) to Ardour Capital for services to be rendered pursuant to the Strategic Financial Advisor Agreement as of that date.

In January 2012, an employee exercised options to purchase an aggregate of 40,000 shares of Common Stock utilizing a cashless exercise feature resulting in the net issuance of 22,222 shares of Common Stock.

During the twelve months ended September 30, 2012, two directors and an officer agreed to accept 80,000 shares of unregistered Common Stock (valued at $39,000) in lieu of cash for certain director's fees and wages due the individuals.
During the twelve months ended September 30, 2012, several third parties agreed to accept 83,757 shares of unregistered Common Stock (valued at $41,899) in lieu of cash for consulting fees due.
On May 1, 2012 we issued 25,000 shares of our unregistered Common Stock as a restricted stock award to a new director as a future incentive. We recorded a $15,000 expense (the assigned fair value based on the closing bid price) associated with the issuance of these shares during the three months ended June 30, 2012.
During May and June 2012, two former directors exercised options to purchase an aggregate of 79,000 shares of Common Stock at exercise prices ranging from $0.23 to $0.51 per share.
On June 30, 2012 and September 30, 2012, certain 10% Convertible Preferred Stock holders agreed to accept 158,448 and 239,746 shares of Common Stock (valued at $111,500 and $153,710), respectively, in lieu of cash for dividend payments due the holders.
During the twelve months ended September 30, 2013, holders exercised warrants and options to purchase an aggregate of 1,175,000 shares of Common Stock at exercise prices ranging from $0.28 to $0.40 utilizing a cashless exercise feature resulting in the net issuance of 440,833 shares of Common Stock. In addition, a former director exercised warrants to purchase 30,000 shares of Common Stock at an exercise price of $0.32 per share.
10% Convertible Preferred Stock
On April 30, 2012, we completed a private placement in which we entered into a securities purchase agreement with certain accredited investors and sold 821.6 units for gross proceeds to us of $8,216,000. We incurred cash fees associated with the placement of approximately $676,000 and issued 100,000 shares of Common Stock valued at $48,000. In conjunction with the private placement we issued the placement agent a five-year warrant to purchase 450,000 shares of our Common Stock at an exercise price of $0.40 per share (valued at $173,000). We used approximately $495,000 of the net proceeds to retire short term debt and intend to use the balance to advance our dual fuel technologies business.
Each unit had a purchase price of $10,000 and consisted of one share of 10% Convertible Preferred Stock and one warrant to purchase 25,000 shares of Common Stock. The 10% Convertible Preferred Stock has a 10% annual dividend, payable quarterly in cash or in shares of Common Stock. As of the date of issuance, each share of 10% Convertible Preferred Stock is convertible, at any time at the option of the holder, into 25,000 shares of Common Stock at a conversion price of $0.40 per share. The conversion price of the 10% Convertible Preferred Stock is subject to adjustment in the case of stock splits, stock dividends, combinations of shares, similar recapitalization transactions and certain pro-rata distributions to common stockholders. The conversion price will also be adjusted if we sell or grant any shares of common stock or securities convertible into, or rights to acquire, common stock at an effective price per share that is lower than the then conversion price, except in the event of certain exempt issuances. In addition to the conversion right described above, we may require the holders of the 10% Convertible Preferred Stock to convert their shares into shares of Common Stock in the event the volume weighted average price of our Common Stock exceeds certain threshold amounts.
The holders of the 10% Convertible Preferred Stock vote with the Common Stock on all matters presented to the holders of the Common Stock, other than the election of certain directors, on an as-converted basis. The holders of 10% Convertible Preferred Stock voting as a separate class are entitled to elect three members of the Board of Directors. In connection with the exercise of that right, Dr. Allen Kahn and Thomas Galvin resigned from the Board of Directors following the completion of the private placement and the Board of Directors appointed Neil Braverman, Dr. Aviel Faliks and Jamie Weston as directors. Dr. Faliks left the Board of Directors in October 2013 and was replaced by Raymond Wong. The holders of the 10% Convertible Preferred Stock also have certain rights to elect additional members of the Board of Directors in the event we fail to make the dividend payments as required by the terms of the 10% Convertible Preferred Stock. In addition, the approval of the holders of at least 67% of the outstanding 10% Convertible Preferred Stock will be required before we may take certain actions.
The holders of the 10% Convertible Preferred Stock have priority in the event of a liquidation of our company over the outstanding shares of Common Stock. Upon liquidation, dissolution or winding up of our company, whether

voluntary or involuntary, before any distribution or payment is made to the holders of the Common Stock, the holders of the 10% Convertible Preferred Stock are entitled to be paid out of the assets of the company an amount equal to the stated value of the 10% Convertible Preferred Stock, which is initially $10,000 per share, plus any accrued, but unpaid, dividends.

Each investor also received a warrant to purchase a number of shares of Common Stock equal to the number of shares into which the 10% Convertible Preferred Stock purchased by such investor is convertible as of the date of issuance of the warrant. The warrants have an exercise price of $0.50 per share and may be exercised at any time during a five-year period beginning October 30, 2012. The warrants are subject to adjustment in the event we issue shares of Common Stock or other securities convertible into or exchangeable for Common Stock at a price per share which is less than the exercise price of the warrants and upon other customary terms.

During the twelve months ended September 30, 2013, approximately 91 shares of 10% Convertible Preferred Stock were converted into 2,283,960 shares of Common Stock. As of September 30, 2013, there were approximately 942 shares of 10% Convertible Preferred Stock outstanding which are convertible into approximately 23,544,990 shares of Common Stock which had a fair value of approximately $16,010,600 based on the closing price of our Common Stock on September 30, 2013.

During the fiscal year ended September 30, 2012, 62.3 shares of 10% Convertible Preferred Stock were converted into 1,557,705 shares of Common Stock.

During the fiscal years ended September 30, 2013 and 2012, we recorded dividends associated with the 10% Convertible Preferred Stock of $883,370 and $358,460. During the fiscal years ended September 30, 2013 and 2012, we paid cash dividends of $434,211 and $93,250 and issued 663,901 (valued at $449,159) and 398,194 shares of Common Stock (valued at $265,210) in lieu of cash for dividend payments.

In connection with the private placement, we granted the investors an additional investment right, exercisable at any time before March 31, 2013, to invest up to approximately $2.7 million to buy additional units under the same terms described above. During the nine months ended June 30, 2013, all investors exercised their additional right to purchase approximately 274 units for net proceeds of $2,646,005 after fees.

We determined the initial value of the 10% Convertible Preferred Stock to be $4,629,873, the investor warrants to be $2,219,758 and the additional investment right to be $1,366,369 using models we consider to be appropriate. In addition, we determined a beneficial conversion feature of $9,748,127 based on the intrinsic value of the shares of Common Stock to be issued pursuant to these three rights. The value of the beneficial conversion feature is considered a “deemed dividend” and has been recorded as a charge to retained earnings at September 30, 2012.

In connection with the private placement, we entered into a registration rights agreement with the holders of the 10% Convertible Preferred Stock. Pursuant to the registration rights agreement, we filed a registration statement with the Securities and Exchange Commission on May 30, 2012, to register for resale certain shares of Common Stock issuable upon the payment of dividends on the 10% Convertible Preferred Stock, the conversion of the 10% Convertible Preferred Stock and upon the exercise of the warrants. On July 25, 2012, our registration statement relating to the potential resale of up to 11,553,282 shares of Common Stock was declared effective.

In connection with the private placement, we entered into a voting agreement with the holders of the 10% Convertible Preferred Stock. Pursuant to the voting agreement, the investors have agreed to vote their shares of 10% Convertible Preferred Stock to elect: (a) two individuals to the Board of Directors designated by Spring Mountain Capital, for as long as Spring Mountain Capital or its affiliates owns shares of 10% Convertible Preferred Stock; and (b) one individual to the Board of Directors designated by Associated Private Equity LLC, for as long as Associated Private Equity LLC or its affiliates owns shares of 10% Convertible Preferred Stock.

1993 Stock Option Plan

The 1993 Stock Option Plan was established to provide stock options to our employees, officers, directors and consultants. This plan expired in June 2004 as it relates to new grants.

Stock options and activity under the plan is summarized as follows:

	Year Ended September 30, 2013		Year Ended September 30, 2012	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	—	$—	22,500	$1.80
Granted	—	—	—	—
Forfeited or expired	—	—	(22,500)	1.80
Exercised	—	—	—	—
Outstanding at end of period	—	—	—	—
Exercisable at end of period	—	—	—	—
Reserved for future grants at end of period	—		—	
Aggregate intrinsic value of exercisable options	$—		$—	
Weighted average fair value of options granted during the period		$—		$—

2005 Stock Option Plans

The 2005 Stock Option Plan (the “2005 Plan”) was approved by our stockholders on June 16, 2005. The options granted under the 2005 Stock Option Plan may be either options intended to qualify as "incentive stock options" under Section 422 of the Internal Revenue Code of 1986, as amended; or non-qualified stock options. In March 2010, our stockholders approved an increase to the number of shares authorized under the 2005 Plan from 3.5 million to 6 million shares.

During fiscal year 2012, we granted options to a director and several employees to purchase an aggregate of 500,000 shares of our Common Stock at exercise prices ranging from $.48 to $.60 per share, which represented the closing price of our stock on the date of each respective grant. The options granted have a ten-year term with 285,000 options vesting equally over a five-year period from the date of grant and 215,000 options vesting immediately on date of grant. The fair value of the options at the date of grant in aggregate was $117,226 which was determined on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions; dividend yield of 0%; risk-free interest rate of approximately 1%; expected volatility based on historical trading information of approximately 67% and expected terms ranging from 2 to 5 years.

During fiscal year 2013, we granted an option to an employee to purchase 200,000 shares of our common stock at an exercise price of $0.54 per share, which represented the closing price of our stock on the date of the grant. The option granted has a ten-year term and vest 40,000 shares on date of grant and the balance equally over a four-year period from the date of grant. The fair value of the option at the date of grant in aggregate was $53,580 which was determined on the date of grant using the Black-Scholes option-pricing model with the following weighted average assumptions; dividend yield of 0%; risk-free interest rate of approximately 1%; expected volatility based on historical trading information of approximately 66% and an expected term of 4 years.

	Year Ended September 30, 2013		Year Ended September 30, 2012	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	4,062,000	$.36	3,861,000	$.34
Granted	200,000	.54	500,000	.49
Forfeited or expired	(20,000)	.32	(182,000)	.36
Exercised	(70,000)	.30	(117,000)	.29
Outstanding at end of period	4,172,000	.37	4,062,000	.36
Exercisable at end of period	3,406,000	.36	3,020,000	.36
Reserved for future grants	1,495,000		1,675,000	
Aggregate intrinsic value of exercisable options	$1,219,990		$871,090	
Aggregate intrinsic value of all options	$1,525,070		$1,115,810	
Weighted average fair value of options granted during the period		$.27		$.23

Information pertaining to options outstanding under the plan at September 30, 2013 is as follows:

	Options Outstanding			Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$ .23 - .80	4,172,000	5.5 years	$.37	3,406,000	5.2 years	$.36

The following table summarizes activity related to non-vested options:

	Year Ended September 30, 2013	
	Shares	Weighted Average Grant Date Fair Value
Non-vested at beginning of period	1,042,000	$.21
Granted	200,000	.27
Vested	(476,000)	.19
Non-vested at end of period	766,000	.24

Non-Employee Director Stock Option Plan

Under the terms of our 1996 Non-Employee Director Stock Option Plan, on a non-employee director's initial election to the Board of Directors, they are automatically granted an option to purchase 2,000 shares of our common stock. The exercise price per share of options granted under the Non-Employee Director Stock Option Plan is 100% of the fair-market value of our common stock on the business day immediately prior to the date of the grant and is immediately exercisable for a period of ten years from the date of the grant. During fiscal year 2006, the Compensation Committee agreed to discontinue future option grants pursuant to the Non-Employee Director Stock Option Plan.

As of September 30, 2013, options to purchase 8,000 shares of our Common Stock are outstanding and exercisable at prices ranging from $0.51 to $1.10 and had a weighted average exercise price of $.81 per share and a weighted average contractual life of 1.2 years. During the fiscal year ended September 30, 2013, options to purchase 4,000 shares of Common Stock at $1.95 per share expired unexercised.

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During the fiscal year ended September 30, 2012, options to purchase 2,000 shares of Common Stock at $.51 per share were exercised and options to purchase 8,000 shares of Common Stock at prices ranging from $1.10 to $1.95 expired unexercised.

Warrants and Other Stock Options

Information pertaining to all warrants and other stock options granted and outstanding is as follows:

	Year Ended September 30, 2013		Year Ended September 30, 2012	
	Shares	Weighted Average Exercise Price	Shares	Weighted Average Exercise Price
Outstanding at beginning of period	22,742,589	$.50	1,017,118	$.65
Granted	8,456,656	.51	21,765,105	.50
Forfeited, expired, repurchased	(6,000)	.61	(25,000)	.25
Exercised	(1,171,442)	.49	(14,634)	.45
Outstanding at end of period	30,021,803	.51	22,742,589	.50
Exercisable at end of period	29,316,803	.51	22,692,589	.50
Aggregate intrinsic value of exercisable options /warrants	$5,136,121		$3,094,224	
Aggregate intrinsic value of all options/warrants	$5,215,021		$3,105,724	
Weighted average fair value of options granted during the period		$.49		$.34

	Warrants/Options Outstanding			Warrants/Options Exercisable		
Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price
$0.40 - $0.65	30,021,803	4 years	$.51	29,316,803	5 years	$.51

Common Stock Reserved

We have reserved common stock at September 30, 2013 as follows:

Stock options reserved for the 2005 Stock Option Plan	4,180,000
Other stock options	100,000
Warrants	29,921,803
Shares issuable upon conversion of preferred stock	23,544,990
	57,746,793

Approximately 26.4 million of shares reserved for the warrants relate to the April 2012 Convertible Preferred Stock offering, approximately 1.7 million shares relate to the issuance of prior convertible debentures described in Note 6 and approximately 1.5 million shares relate to warrants issued to the Wheel Time Network.

9. Employee Benefit Plan

We have implemented a Section 401(k) plan for all eligible employees. Employees are permitted to make elective deferrals of up to 75% of employee compensation up to the maximum contribution allowed by law and employee contributions to the 401(k) plan are fully vested at all times. We may make discretionary contributions to the 401(k) plan which become vested over a period of five years. There were no corporate contributions to the 401(k) plan during the years ended September 30, 2013 and 2012.

10. Concentrations

Long-lived Assets, Revenues and Revenue by Geographic Areas:
The Company has one location in the United States, where 100% of the long-lived assets are held.
During the fiscal years ended September 30, 2013 and 2012, approximately 80% of our sales were derived from our dual fuel stationary solution for oil and gas applications and 20% from our dual fuel vehicular applications.

	September 30, 2013	September 30, 2012
Stationary Dual Fuel Systems	$5,613,989	$2,196,943
Vehicular Dual Fuel Systems	1,403,133	436,937
	$7,017,122	$2,633,880

The following table sets forth sales by geographic area:

	September 30, 2013	September 30, 2012
United States	$6,415,145	$2,288,034
Canada	293,318	43,700
Australia	131,112	131,804
Nigeria	126,600	43,700
Other foreign countries	50,947	126,642
	$7,017,122	$2,633,880

Customers:
During the fiscal year ended September 30, 2013, three oil and gas stationary customers accounted for 34%, 21% and 12% of consolidated net sales. One oil and gas stationary customer accounted for 54% of consolidated net sales in 2012. The customer who accounted for 34% and 54% of consolidated net sales in 2013 and 2012, respectively, is one of our stationary Dealer/Certified Installers who focuses specifically on the oil and gas industry opportunities. While we believe the loss of this Dealer/Certified Installer would have a short term negative impact on our business, we believe that end customer interest remains strong and there are alternatives available to us to continue meeting end customer demand, including the ability to market and install through in-house resources. Therefore, we do not believe that the loss of this individual customer would have a material adverse effect on our business. In addition, we believe the impact of the loss of this individual customer would be mitigated with the signing of additional Dealer/Installer agreements and the anticipated increasing vehicular revenue and vehicular engine family approvals over the coming months.
The other two customers representing 21% and 12% of consolidated net sales in 2013 related to specific one-time conversions of multiple oil and gas high pressure fracturing engines as the result of new engine family approvals received during fiscal 2013. These approvals provide us the ability to now sell into approximately 75% of the most popular engine families in the oil and gas industry therefore providing us the opportunity to expand our customer base beyond these two customers in a market where interest remains strong and there are hundreds of drilling companies located in the U.S. Therefore, we do not believe that the loss of these two customers would have a material adverse effect on our business.
North American vehicular revenues for the fiscal year ended September 30, 2013 increased approximately $816,000 or approximately 300% to approximately $1.1 million as a result of our ability to actively solicit customer orders due to the increased number of vehicular EPA approvals received to date as well as our new WheelTime dealer/installer relationship. All 18 WheelTime members companies entered APG dealer and installer agreements during January through April of 2013 which was followed by APG sales training in May-July. As a result we anticipate increasing revenues going forward as the members are now actively soliciting orders. In the first six months of calendar year 2013, American Power Group's vehicular revenue from WheelTime members was approximately $91,000 compared to WheelTime related revenue in the second half of 2013 through mid-December which is over $900,000. With over

3.5 million Class 8 vehicles on the road in the U.S., our industry leading EPA approvals of 449 and our Wheel Time network of dealers/installers, we believe have the resources necessary to continue to grow our vehicular revenue to mitigate the potential loss of any one individual oil and gas stationary customer.

We are dependent on a third-party firm for providing engineering services relating to our EPA testing and approval activities. At September 30, 2013 and 2012, the supplier accounted for approximately 32% and 48% of the American Power Group, Inc.'s accounts payable. As of September 30, 2013, we have completed a majority of our EPA testing and approval activities therefore mitigating the potential adverse effect that losing this vendor would have on our EPA approval efforts. We believe that our relationship with this supplier is satisfactory.

11. Fair Value of Financial Instruments

At September 30, 2013 and 2012, our financial instruments consisted of accounts receivable, accounts payable, notes payable and convertible notes payable. These instruments approximate their fair values as these instruments are either due currently or were negotiated currently and bear interest at market rates. As of September 30, 2013, the fair value of the underlying Common Stock to be issued upon conversion of the 942 shares of the 10% Convertible Preferred Stock is approximately $16,010,000 based upon the intrinsic value of the conversion feature on that date (see Note 8).

12. Income Taxes

Historically we have provided a valuation reserve equal to 100% of our potential deferred tax benefit due to the uncertainty of our ability to realize the anticipated benefit given our historical losses. The difference between the statutory federal income tax rate of 34% and the effective rate is primarily due to net operating losses incurred by us and the provision of a valuation reserve against the related deferred tax assets.

The following differences give rise to deferred income taxes:

	September 30, 2013		September 30, 2012	
Net operating loss carry forwards	$11,048,202		$9,862,779	
General business credits	282,244		—	
Differences in fixed asset basis	(38,181	)	(51,483	)
Alternative Minimum Tax amounts	14,923		14,923	
State NOL amounts	941,227		922,599	
Capitalized development costs	(1,135,547	)	(472,766	)
Other, net	201,643		273,449	
	11,314,511		10,549,501	
Valuation reserve	(11,314,511	)	(10,549,501	)
Net deferred tax asset	$—		$—	

The following differences between the U.S. Federal statutory income tax rate and our effective tax rate are:

	September 30, 2013		September 30, 2012	
Statutory U.S. tax rate	34.0	%	34.0	%
State taxes, net of federal benefit	1.8		2.1	
Amortization	(0.9	)	(0.4	)
All others, net	(4.3	)	(0.8	)
U.S. business credits	6.9		1.2	
Convertible debt discount	—		(12.0	)
Valuation allowance	(37.5	)	(24.1	)
Effective Tax Rate	—	%	—	%

As of September 30, 2013, we had net operating loss carryforwards of approximately $32.5 million. The net operating loss carryforwards expire beginning in 2021 through 2032. In addition, we have Federal tax credit carryforwards of approximately $282,244 available to reduce future tax liabilities. The Federal tax credit carryforwards expire beginning in 2030 through 2032. These carryforwards maybe subject to limitations under Sections 382 and 383 of the Internal Revenue Code if significant ownership changes have been determined to have occurred.

AMERICAN POWER GROUP CORPORATION

11,553,282 SHARES OF COMMON STOCK

PROSPECTUS

YOU SHOULD RELY ONLY ON THE INFORMATION CONTAINED IN THIS DOCUMENT OR THAT WE HAVE REFERRED YOU TO. WE HAVE NOT AUTHORIZED ANYONE TO PROVIDE YOU WITH INFORMATION THAT IS DIFFERENT. THIS PROSPECTUS IS NOT AN OFFER TO SELL COMMON STOCK AND IS NOT SOLICITING AN OFFER TO BUY COMMON STOCK IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

The Date of this Prospectus is __________, 2014

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution

Expenses of the Registrant in connection with the issuance and distribution of the securities being registered are estimated as follows:

SEC Registration Fee	$3,682.55	*
Printing and Engraving Expenses	$15,000.00	
Legal Fees and Expenses	$55,000.00	
Accountants' Fees and Expenses	$35,000.00	
Miscellaneous Costs	$5,000.00	
Total	$103,682.55	

*Previously paid.

Item 14. Indemnification of Directors and Officers

Section 145 of the Delaware General Corporation law empowers a Delaware corporation to indemnify its officers and directors and certain other persons to the extent and under the circumstances set forth therein.

The Registrant's Restated Certificate of Incorporation, as amended, and By-Laws, as amended, provide for indemnification of our officers and directors and certain other persons against liabilities and expenses incurred by any of them in certain stated proceedings and under certain stated conditions.

The above discussion of the Registrant's Restated Certificate of Incorporation, as amended, By-Laws, as amended, and Section 145 of the Delaware General Corporation Law is not intended to be exhaustive and is qualified in its entirety by such Restated Certificate of Incorporation, By-Laws and statute.

Item 15: Recent Sales of Unregistered Securities

During the six months ended March 31, 2014, the Registrant issued 107,041 shares of unregistered Common Stock to certain third parties as a result of warrants that were exercised.

During the six months ended March 31, 2014, the Registrant issued 144,601 shares of Common Stock to certain holders of 10% Convertible Preferred Stock in lieu of payment of cash dividends.

During the twelve months ended September 30, 2013, holders exercised warrants and options to purchase an aggregate of 1,175,000 shares of Common Stock at exercise prices ranging from $0.28 to $0.40 utilizing a cashless exercise feature resulting in the net issuance of 440,833 shares of Common Stock. In addition, a former director exercised warrants to purchase 30,000 shares of Common Stock at an exercise price of $0.32 per share.

During the fiscal years ended September 30, 2013 and 2012, the Registrant issued 663,901 and 398,194 shares of Common Stock, respectively, in lieu of cash for dividend payments to the holders of 10% Convertible Preferred Stock.

During the twelve months ended September 30, 2013, approximately 91 shares of 10% Convertible Preferred Stock were converted into 2,283,960 shares of Common Stock.

During the fiscal year ended September 30, 2012, 62.3 shares of 10% Convertible Preferred Stock were converted into 1,557,705 shares of Common Stock.

During the period beginning December 2012 and ending March 31, 2013 the Company issued a total of 273.9 shares of 10% Convertible Preferred Stock and warrants to purchase 6,846,660 shares of Common Stock to investors for an aggregate investment of $2.7 million pursuant to the exercise of additional investment rights granted in connection with the Company's April 2012 financing.

During the twelve months ended September 30, 2012, two directors and an officer agreed to accept 80,000 shares of unregistered Common Stock (valued at $39,000) in lieu of cash for certain director's fees and wages due the

individuals.
During the twelve months ended September 30, 2012, several third parties agreed to accept 83,757 shares of unregistered Common Stock (valued at $41,899) in lieu of cash for consulting fees due.

I

In April 2012 the Registrant issued 821.6 shares of 10% Convertible Preferred Stock to several institutional investors for gross proceeds of approximately $8.2 million. The preferred stock is convertible into Common Stock at an initial conversion price of $0.40 per share and the investors also received five-year warrants to purchase a number of shares of Common Stock equal to the number of shares into which the preferred stock is convertible, exercisable at $0.50 per share. The investors have the right, exercisable at any time before March 31, 2013, to invest up to $2.7 million to buy additional shares of preferred stock and warrants under the same terms.

During the three months ended June 30, 2012, the Registrant issued 5,469 shares of our unregistered Common Stock to a consultant for services rendered.

During the three months ended June 30, 2012, the Registrant issued 6,840,953 shares of unregistered Common Stock to holders of certain convertible debentures upon the conversion of principal and accrued interest under the debentures.

During May and June 2012, the Registrant issued 79,000 shares of our unregistered Common Stock to two former directors upon exercise of stock options.

On May 1, 2012, the Registrant issued 25,000 shares of unregistered Common Stock as restricted stock awards to a new director.

During the three months ended March 31, 2012, the Registrant issued 21,321 shares of unregistered Common Stock valued at $15,000 to consultants and an employee for services rendered.

During the three months ended March 31, 2012, the Registrant issued 10% promissory notes for gross proceeds of $678,000. The principal amount of such notes is convertible into 1,445,666 shares of Common Stock. In connection with the issuance of such notes, the Registrant also issued warrants to purchase additional shares of Common Stock.

In January 2012, the Registrant issued 22,222 shares of unregistered Common Stock valued at $6,222 to an employee upon exercise of stock options.

In January 2012, the Registrant issued 20,000 shares of its Common Stock, valued at $9,000, to an officer in consideration of services rendered.

During the three months ended December 31, 2011, the Registrant issued 166,967 shares of unregistered Common Stock valued at $80,399 to consultants and a strategic financial advisor for services rendered.

During the three months ended December 30, 2011, the Registrant issued 10% promissory notes for gross proceeds of $507,000. The principal amount of such notes is convertible into 1,138,016 shares of Common Stock. In connection with the issuance of such notes, the Registrant also issued warrants to purchase additional shares of Common Stock.

On November 3, 2011, the Registrant issued 153,241 shares unregistered Common Stock valued at $90,411 to holders of certain convertible notes payable in lieu of cash for interest payments due the note holders.

In October 2011, the Registrant issued 421,750 shares of unregistered Common Stock valued at $210,857 to holders of $843,500 in notes payable (including $343,500 due related parties) in consideration for their agreement to extend the maturity of those notes.

In October 2011, the Registrant issued 60,000 shares of its Common Stock, valued at $30,000, to two directors in consideration of services rendered.

During the three months ended June 30, 2011, the Registrant issued 140,888 shares of unregistered Common Stock valued at $32,500 to a consultant and employee upon exercise of stock options and warrants.

During the three months ended June 30, 2011, the Registrant issued 10% promissory notes for gross proceeds of $1,350,000. The principal amount of such notes is convertible into 2,288,136 shares of our Common Stock. In connection with the issuance of such notes, the Registrant also issued warrants to purchase additional shares of Common Stock.

The Registrant grants options to purchase shares of its Common Stock from time to time to its directors, officers and employees under its 1996 Non-Employee Director Stock Option Plan and its 2005 Stock Option Plan.

All of the above-described issuances were exempt from registration pursuant to Section 4(2) of the Securities Act, as transactions not involving a public offering.

II

Item 16. Exhibits

The following is a list of exhibits filed as a part of this registration statement:

2.1 (1)	Asset Purchase Agreement dated as of June 13, 2011, between Green Tech Products, Inc. and Irish Knight Holdings, L.L.C.
2.2 (2)	Promissory Note dated August 1, 2011, issued by Irish Knight Holdings, L.L.C.
2.3 (2)	Indemnification Agreement dated August 1, 2011, between GreenMan Technologies, Inc. and Timothy Mahoney
2.4 (3)	Exclusive Patent License Agreement dated as of June 17, 2009, by and between GreenMan Technologies, Inc. and M & R Development, Inc. (formerly known as American Power Group, Inc.)
2.5 (4)	Amendment No. 2 dated June 30, 2011, to Exclusive Patent License dated as of June 17, 2009, by and between GreenMan Technologies, Inc. and M & R Development, Inc. (formerly known as American Power Group, Inc.)
2.6 (5)	Amendment No. 3 dated April 27, 2012, to Exclusive Patent License dated as of June 17, 2009, by and between GreenMan Technologies, Inc. and M & R Development, Inc. (formerly known as American Power Group, Inc.)
2.7 (6)	Amended and Restated Promissory Note dated as of December 1, 2009, in the principal amount of $800,000, issued by M & R Development, Inc. (formerly known as American Power Group, Inc.) to American Power Group (formerly known as GreenMan Alternative Energy, Inc.)
2.8 (5)	Amendment No. 1 dated April 27, 2012, to Amended and Restated Promissory Note dated as of December 1, 2009, issued by M & R Development, Inc. (formerly known as American Power Group, Inc.) to American Power Group, Inc. (formerly known as GreenMan Alternative Energy, Inc.)
3.1 (7)	Restated Certificate of Incorporation of GreenMan Technologies, Inc., as amended
3.2 (6)	By-laws of GreenMan Technologies, Inc.
4.1 (8)	Specimen certificate for Common Stock of GreenMan Technologies, Inc.
5.1 (23)	Opinion of Morse, Barnes-Brown & Pendleton, P.C.
10.1 (9)	Employment Agreement dated April 1, 2003, between GreenMan Technologies, Inc. and Maurice E. Needham ***
10.2 (10)	Employment Agreement dated April 12, 2006, between GreenMan Technologies, Inc. and Lyle E. Jensen ***
10.3 (11)	Addendum dated January 30, 2008, to the Employment Agreement dated April 12, 2006, between GreenMan Technologies, Inc. and Lyle E. Jensen ***
10.4 (12)	Employment Agreement dated June 1, 1999, between GreenMan Technologies, Inc. and Charles E. Coppa ***
10.5 (11)	Addendum dated January 30, 2008, to the Employment Agreement dated June 1, 1999, between GreenMan Technologies, Inc. and Charles E. Coppa ***
10.6 (13)	Consulting Agreement dated November 18, 2008, between Coastal International, Inc. and GreenMan Technologies, Inc.
10.7 (8)	1993 Stock Option Plan***
10.8 (14)	2005 Stock Option Plan, as amended***
10.9 (8)	Form of confidentiality and non-disclosure agreement for executive employees
10.10 (15)	Lease Agreement dated April 2, 2001, between WTN Realty Trust and GreenMan Technologies of Georgia, Inc.
10.11 (27)	Amendment No. 1, dated February 28, 2006, to Lease Agreement dated April 2, 2001, between GreenMan Technologies of Georgia, Inc. and Mart Management, Inc.
10.12 (16)	

	Commercial Loan Agreement dated as of November 9, 2010, between American Power Group, Inc. and Iowa State Bank
10.13 (16)	Asset Based Financing Agreement dated as of November 9, 2010, between American Power Group, Inc. and Iowa State Bank
10.14 (16)	Promissory Note dated as of November 9, 2010, issued by American Power Group, Inc. in favor of Iowa State Bank
10.15 (16)	Commercial Security Agreement dated as of November 9, 2010, between American Power Group, Inc. and Iowa State Bank
10.16 (16)	Guaranty dated as of November 9, 2010, issued by GreenMan Technologies, Inc., in favor of Iowa State Bank

III

10.17 (16)	Assignment of Deposit or Share Account dated as of November 9, 2010, issued by GreenMan Technologies, Inc., in favor of Iowa State Bank
10.18 (17)	Change in Terms Agreement, dated as of December 19, 2011, between American Power Group, Inc. and Iowa State Bank with regard to a $2,000,000 line of credit
10.19 (17)	Change in Terms Agreement, dated as of December 19, 2011, between American Power Group, Inc. and Iowa State Bank with regard to a $250,000 promissory note
10.20 (18)	Stock Transfer Agreement, dated as of December 19, 2011, between GreenMan Technologies, Inc. and Iowa State Bank
10.21 (19)	Change in Terms Agreement, dated April 3, 2012, between American Power Group, Inc. and Iowa State Bank with regard to a $2,000,000 line of credit
10. 22 (19)	Change in Terms Agreement, dated April 3, 2012, between American Power Group, Inc. and Iowa State Bank with regard to a $250,000 promissory note
10.23 (5)	Business Loan Agreement, dated as of April 25, 2012, between American Power Group, Inc. and Iowa State Bank with regard to a $2,250,000 line of credit
10.24 (5)	Promissory Note dated as of April 25, 2012, issued by American Power Group, Inc. in favor of Iowa State Bank
10.25 (26)	Change in Terms Agreement, dated December 12, 2012, between American Power Group, Inc. and Iowa State Bank with regard to a $2,250,000 line of credit
10.26 (28)	Business Loan Agreement, dated December 19, 2013, between American Power Group, Inc. and Iowa State Bank with regard to a $2,500,000 line of credit
10.27 (28)	Promissory Note dated as of December 19, 2013, issued by American Power Group, Inc. in favor of Iowa State Bank
10.28 (20)	Subscription Agreement dated September 17, 2010, between Dr. Allen Kahn and GreenMan Technologies, Inc.
10.29 (20)	Unsecured Promissory Note dated as of September 17, 2010, issued by GreenMan Technologies, Inc. in favor of Dr. Allen Kahn
10.30 (21)	Extension Agreement dated March 11, 2011, between GreenMan Technologies, Inc. and Dr. Allen Kahn, with respect to an unsecured promissory note
10.31 (18)	Extension Agreement dated October 27, 2011, between GreenMan Technologies, Inc. and Dr. Allen Kahn, with respect to an unsecured promissory note
10.32 (5)	Amendment No. 1 dated April 27, 2012, to Unsecured Promissory Note dated as of September 17, 2010, issued by GreenMan Technologies, Inc. in favor of Dr. Allen Kahn
10.33 (29)	Amended and Restated Unsecured Promissory Note dated as of April 30, 2014, issued by American Power Group Corporation (formerly, GreenMan Technologies, Inc.) in favor of the Allen Kahn Revocable Trust AKA Allen Kahn, M.C. Revocable Trust.
10.43 (20)	Subscription Agreement dated September 17, 2010, between Charles E. Coppa and GreenMan Technologies, Inc.
10.35 (20)	Unsecured Promissory Note dated as of September 17, 2010, issued by GreenMan Technologies, Inc. in favor of Charles E. Coppa
10.36 (21)	Extension Agreement dated March 11, 2011, between GreenMan Technologies, Inc. and Charles Coppa, with respect to an unsecured promissory note
10.37 (18)	Extension Agreement dated October 27, 2011, between GreenMan Technologies, Inc. and Charles Coppa, with respect to an unsecured promissory note
10.38 (5)	Amendment No. 1 dated April 27, 2012, to Unsecured Promissory Note dated as of September 17, 2010, issued by GreenMan Technologies, Inc. in favor of Charles E. Coppa
10.39 (29)	Amendment No. 2 dated April 30, 2014, to Unsecured Promissory Note dated as of September 17, 2010, issued by American Power Group Corporation (formerly, GreenMan Technologies, Inc.) in favor of Charles E. Coppa

10.40 (21)	Subscription Agreement dated February 11, 2011, between Lew Boyd and GreenMan Technologies, Inc.
10.41 (21)	Unsecured Promissory Note dated as of February 11, 2011, issued by GreenMan Technologies, Inc. in favor of Lew Boyd
10.42 (18)	Extension Agreement dated October 27, 2011, between GreenMan Technologies, Inc. and Lew Boyd, with respect to an unsecured promissory note
10.43 (18)	Promissory Note dated October 12, 2011 between American Power Group, Inc. and Lyle Jensen
10.44 (18)	Extension Agreement dated November 27, 2011 between American Power Group, Inc. and Lyle Jensen

IV

10.45 (5)	Amendment No. 1 dated April 27, 2012, to Promissory Note dated as of October 12, 2011, issued by GreenMan Technologies, Inc. in favor of Lyle Jensen
10.46 (29)	Amendment No. 2 dated April 30, 2014, to Promissory Note dated as of October 12, 2011, issued by American Power Group, Inc. in favor of Lyle Jensen
10.47 (22)	Form of Subscription Agreement between GreenMan Technologies, Inc. and certain investors, with respect to convertible promissory notes and warrants issued in April 2011
10.48 (22)	Form of Convertible Promissory Note issued by GreenMan Technologies, Inc. in April 2011
10.49 (22)	Form of Common Stock Purchase Warrant issued by GreenMan Technologies, Inc. in April 2011
10.50 (22)	Form of Registration Rights Agreement between GreenMan Technologies, Inc. and the purchasers of certain convertible promissory note and warrants
10.51 (18)	Form of Convertible Promissory Note issued by GreenMan Technologies, Inc. in November 2011
10.52 (18)	Form of Common Stock Purchase Warrant issued by GreenMan Technologies, Inc. in November 2011
10.53 (18)	Form of Registration Rights Agreement between GreenMan Technologies, Inc. and the purchasers of certain convertible promissory note and warrants
10.54 (23)	Securities Purchase Agreement between GreenMan Technologies, Inc. and the investors named therein, dated April 30, 2012
10.55 (5)	Form of Warrant issued to investors named in the Securities Purchase Agreement, dated April 30, 2012
10.56 (5)	Form of Additional Investment Right, dated April 30, 2012
10.57 (23)	Registration Rights Agreement between GreenMan Technologies, Inc. and the investors named therein, dated April 30, 2012
10.58 (23)	Voting Agreement between GreenMan Technologies, Inc. and the investors named therein, dated April 30, 2012
10.59 (23)	Form of Warrant issued to the placement agent in connection with the private placement of April 30, 2012
10.60 (24)	National Distributor and Master Marketing Agreement between American Power Group, Inc. and WheelTime Network LLC, dated as of November 27, 2012
10.61 (24)	Common Stock Purchase Warrant issued to WheelTime Network LLC, dated November 27, 2012
10.62 (25)	Lease - Business Property dated May 1, 2012, between M & R Development, Inc. and American Power Group, Inc.
21.1 (6)	List of All Subsidiaries
23.1*	Consent of Schechter, Dokken, Kanter, Andrews & Selcer, Ltd.
23.2(23)	Consent of Morse, Barnes-Brown & Pendleton, P.C. (included in Exhibit 5.1)
24.1	Power of Attorney (Included in the signature page of the initial filing)
101**	The following financial information from the Annual Financial Report on Form 10-K of American Power Group Corporation for the fiscal year ended September 30, 2013, formatted in XBRL (eXtensible Business Reporting Language): (1) Consolidated Balance Sheets as of September 30, 2013 and September 30, 2012; (2) Consolidated Statements of Operations for fiscal years ended September 30, 2013 and September 30, 2012; (3) Consolidated Statements of Changes in Stockholders' (Deficit) Equity for the fiscal years ended September 30, 2013 and 2012; (4) Consolidated Statements of Cash Flows for the twelve months ended September 30, 2013 and September 30, 2012; and (5) Notes to Consolidated Financial Statements
	The following financial information from the Quarterly Financial Report on Form 10-Q of American Power Group Corporation for the fiscal quarter ended March 31, 2014, formatted in XBRL (eXtensible Business Reporting Language): (1) Consolidated Balance Sheets as of March 31, 2014 and September 30, 2013; (2) Consolidated Statements of Operations for the three

months and six months ended March 31, 2014 and March 31, 2013; (3) Consolidated Statements of Changes in Stockholders' (Deficit) Equity for the three months ended December 31, 2013; (4) Consolidated Statements of Cash Flows for the six months ended March 31, 2014 and March 31, 2013; and (5) Notes to Consolidated Financial Statements

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(1) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated June 13, 2011 and filed June 15, 2011, and incorporated herein by reference.

(2) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated July 29, 2011 and filed August 4, 2011, and incorporated herein by reference.

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(3) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated June 17, 2009 and filed June 23, 2009, and incorporated herein by reference.
(4) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated June 30, 2011 and filed June July 7, 2011, and incorporated herein by reference.
(5) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated April 25, 2011 and filed May 2, 2012, and incorporated herein by reference.
(6) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-K for the Fiscal Year Ended September 30, 2011 and incorporated herein by reference.
(7) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-Q for the Quarter Ended March 31, 2012 and incorporated herein by reference.
(8) Filed as an Exhibit to GreenMan Technologies, Inc.'s Registration Statement on Form SB-2 No. 33-86138 and incorporated herein by reference.
(9) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-KSB for the Fiscal Year Ended September 30, 2003 and incorporated herein by reference.
(10) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated April 12, 2006 and filed April 17, 2006, and incorporated herein by reference.
(11) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated January 28, 2008 and filed January 31, 2008, and incorporated herein by reference.
(12) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-QSB for the Quarter Ended December 31, 2000 and incorporated herein by reference.
(13) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-Q for the Quarter Ended December 31, 2008 and incorporated herein by reference.
(14) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-Q for the Quarter Ended March 31, 2010 and incorporated herein by reference.
(15) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-QSB for the Quarter Ended June 30, 2001 and incorporated herein by reference.
(16) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated November 9, 2010 and filed November 15, 2010, and incorporated herein by reference.
(17) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated December 19, 2011 and filed December 23, 2011, and incorporated herein by reference.
(18) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-Q for the Quarter Ended December 31, 2011 and incorporated herein by reference.
(19) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 8-K dated April 3, 2012 and filed April 5, 2012, and incorporated herein by reference.
(20) Filed as an Exhibit to GreenMan Technology's Annual Report on Form 10-K for the fiscal year ended September 30, 2010, and incorporated herein by reference.
(21) Filed as an Exhibit to GreenMan Technologies, Inc.'s Registration Statement on Form S-1, No. 333-173264, and incorporated herein by reference.
(22) Filed as an Exhibit to GreenMan Technologies, Inc.'s Form 10-Q for the Quarter ended March 31, 2011.
(23) Filed as an Exhibit to Amendment No. 1 to GreenMan Technologies, Inc.'s Registration Statement on Form S-1/A, No. 333-181773, and incorporated herein by reference.
(24) Filed as an Exhibit to American Power Group Corporation's Form 8-K dated November 27, 2012 and filed November 29, 2012, and incorporated herein by reference.
(25) Filed as an Exhibit to American Power Group Corporation's Form 10-K for the Year ended September 30, 2012.
(26) Filed as an Exhibit to American Power Group Corporation's Form 8-K dated December 12, 2012 and filed December 17, 2012, and incorporated herein by reference.

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(27) Filed as an Exhibit to American Power Group Corporation's Form 8-K dated February 17, 2006 and filed March 6, 2006, and incorporated herein by reference.
(28) Filed as an Exhibit to American Power Group Corporation's Annual Report on Form 10-K for the fiscal year ended September 30, 2013, and incorporated herein by reference.
(29) Filed as an Exhibit to American Power Group Corporation's Amendmnet No. 1 on Form 8-KA dated April 30, 2014 and filed May 28, 2014, and incorporated herein by reference.
*Filed herewith
**In accordance with Rule 406T of Regulation S-T, the XBRL-related information in Exhibit 101 to this registration statement is deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 and 12 of the Securities Act, is deemed not filed for purposes of Section 18 of the Exchange Act, and otherwise is not subject to liability under these sections, is not part of any registration statement or prospectus to which it relates and is not incorporated by reference into any registration statement, prospectus or other document.
*** Indicates a management contract or compensatory plan or arrangement.
Item 17. Undertakings
The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement; notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser: each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

VII

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the Registrant has duly caused this Registration Statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Lynnfield, Commonwealth of Massachusetts, on this 22nd day of April, 2014.

AMERICAN POWER GROUP CORPORATION

Date: May 28, 2014	By:	/s/ Charles E. Coppa
		Charles E. Coppa
		Chief Financial Officer

VIII

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Date: May 28, 2014	By:	* Maurice Needham Chairman of Board of Directors
Date: May 28, 2014	By:	* Lyle Jensen Director, Chief Executive Officer, President (Principal Executive Officer)
Date: May 28, 2014	By:	/s/ Charles E. Coppa Charles E. Coppa Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
Date: May 28, 2014	By:	* Lew F. Boyd Director
Date: May 28, 2014	By:	* Neil Braverman Director
Date: May 28, 2014	By:	Raymond L.M. Wong Director
Date: May 28, 2014	By:	* Jamie Weston Director

* By: /s/ Charles E. Coppa
Charles E. Coppa
Attorney-in-Fact

IX