

AMERICAN POWER GROUP Corp  
Form 424B3  
August 15, 2012

Filed Pursuant to Rule 424(b)(3)  
Registration Statement No. 333-181773

PROSPECTUS SUPPLEMENT NO. 2  
(to Prospectus dated July 25, 2012)

## AMERICAN POWER GROUP CORPORATION

### 11,553,282 SHARES OF COMMON STOCK

This Prospectus Supplement No. 2 supplements and amends the prospectus dated July 25, 2012, as supplemented by that Prospectus Supplement No. 1 dated August 7, 2012 (collectively, the "Prospectus"). The Prospectus forms a part of our Registration Statement on Form S-1 (Registration Statement No. 333-181773). The information contained herein supplements the information in the Prospectus related to the financial statements by including our financial statements and related notes for the three and nine months ended June 30, 2012. This prospectus supplement also contains certain other information included in our report on Form 10-Q for the quarter ended June 30, 2012.

The Prospectus relates to the possible resale, from time to time, by the selling stockholders named in this Prospectus of up to: (1) 9,908,591 shares that may be acquired upon the conversion of shares of our 10% Convertible Preferred Stock, which preferred stock was issued to 15 investors in a private placement completed on April 30, 2012; (2) 158,448 shares issued on June 30, 2012 in lieu of the cash payment of dividends on the preferred stock in accordance with the terms of the Certificate of Designation governing such preferred stock; and (3) 1,486,243 additional shares issuable within 15 months after June 30, 2012 in lieu of the cash payment of dividends on the preferred stock in accordance with the terms of the Certificate of Designation governing such preferred stock.

We are not selling any shares of our Common Stock in this offering and, as a result, we will not receive any proceeds from the sale of the Common Stock covered by the Prospectus. All of the net proceeds from the sale of our Common Stock will go to the selling security holders.

The selling security holders may sell Common Stock from time to time at prices established on the OTC Markets Group's OTCQB, or as negotiated in private transactions, or as otherwise described under the heading "Plan of Distribution." The Common Stock may be sold directly or through agents or broker-dealers acting as agents on behalf of the selling security holders. The selling security holders may engage brokers, dealers or agents who may receive commissions or discounts from the selling security holders. We will pay all the expenses incident to the registration of the shares; however, we will not pay for sales commissions or other expenses applicable to the sale of our Common Stock registered hereunder.

Our Common Stock is presently quoted on the OTC Markets Group's OTCQB under the symbol "APGI." On August 14, 2012, the last reported sale price of our Common Stock on the OTCQB was \$0.58 per share.

Investing in our Common Stock involves a high degree of risk. See "Risk Factors" beginning on page 8 of the Prospectus to read about factors you should consider before investing in shares of our Common Stock.

NEITHER THE SECURITIES & EXCHANGE COMMISSION ("SEC") NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE DATE OF THIS PROSPECTUS SUPPLEMENT NO. 2 IS AUGUST 15, 2012.

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2012

or

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

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 1-13776

American Power Group Corporation  
(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

71-0724248  
(I.R.S. Employer  
Identification No.)

7 Kimball Lane, Lynnfield MA  
(Address of principal executive offices)  
(781) 224-2411  
(Registrant's telephone number, including area code)

01940  
(Zip Code)

GreenMan Technologies, Inc.  
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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

Large Accelerated Filer  
 Non-accelerated Filer

Accelerated Filer  
 Smaller reporting company

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

As of August 14, 2012, there were 44,145,998 shares of the registrant's Common Stock outstanding.



American Power Group Corporation

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American Power Group Corporation  
Condensed Consolidated Balance Sheets

|                                                                                                                                                                      | June 30,<br>2012<br>(Unaudited) | September 30,<br>2011 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------|-----------------------|
| <b>ASSETS</b>                                                                                                                                                        |                                 |                       |
| Current assets:                                                                                                                                                      |                                 |                       |
| Cash and cash equivalents                                                                                                                                            | \$5,634,251                     | \$153,657             |
| Certificates of deposit, restricted                                                                                                                                  | 300,000                         | 300,000               |
| Accounts receivable, trade, less allowance for doubtful accounts of \$151,840 as of June 30, 2012 and September 30, 2011                                             | 429,383                         | 371,575               |
| Inventory                                                                                                                                                            | 529,000                         | 348,179               |
| Costs in excess of billings                                                                                                                                          | 100,380                         | 143,770               |
| Seller's note, related party, current portion                                                                                                                        | 63,456                          | 275,000               |
| Prepaid expenses                                                                                                                                                     | 268,429                         | 164,912               |
| Other current assets                                                                                                                                                 | 95,919                          | 112,921               |
| Total current assets                                                                                                                                                 | 7,420,818                       | 1,870,014             |
| Property, plant and equipment, net                                                                                                                                   | 288,666                         | 383,540               |
| Other assets:                                                                                                                                                        |                                 |                       |
| Seller's note, related party, non-current                                                                                                                            | 733,931                         | 525,000               |
| Long term contracts, net                                                                                                                                             | 354,167                         | 391,672               |
| Purchased technology, net                                                                                                                                            | 354,167                         | 391,672               |
| Software development costs, net                                                                                                                                      | 902,410                         | —                     |
| Other                                                                                                                                                                | 70,567                          | 224,898               |
| Total other assets                                                                                                                                                   | 2,415,242                       | 1,533,242             |
|                                                                                                                                                                      | \$10,124,726                    | \$3,786,796           |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>                                                                                                                |                                 |                       |
| Current liabilities:                                                                                                                                                 |                                 |                       |
| Accounts payable                                                                                                                                                     | \$851,746                       | \$969,424             |
| Accrued expenses                                                                                                                                                     | 945,822                         | 917,984               |
| Billings in excess of cost                                                                                                                                           | 1,808                           | 42,707                |
| Notes payable, current                                                                                                                                               | 1,696,870                       | 2,167,285             |
| Obligations due under lease settlement, current                                                                                                                      | 68,518                          | 68,518                |
| Notes payable, related parties, current                                                                                                                              | —                               | 370,138               |
| Total current liabilities                                                                                                                                            | 3,564,764                       | 4,536,056             |
| Notes payable, non-current                                                                                                                                           | 55,104                          | 84,695                |
| Convertible notes payable, non-current                                                                                                                               | —                               | 1,739,460             |
| Notes payable, related parties, non-current                                                                                                                          | 473,500                         | —                     |
| Obligations due under lease settlement, non-current                                                                                                                  | 505,540                         | 505,540               |
| Total liabilities                                                                                                                                                    | 4,598,908                       | 6,865,751             |
| Stockholders' equity (deficit):                                                                                                                                      |                                 |                       |
| Preferred stock, \$1.00 par value, 998,854 shares authorized                                                                                                         | —                               | —                     |
| 10% Convertible Preferred stock, \$1.00 par value, 1,146 shares authorized, 821.6 shares and 0 shares issued and outstanding at June 30, 2012 and September 30, 2011 | 822                             | —                     |
| Common stock, \$.01 par value, 100 million shares authorized, 43,106,364 shares and 36,173,033 issued and outstanding at June 30, 2012 and September 30, 2011        | 431,064                         | 361,730               |

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|                                      |               |               |
|--------------------------------------|---------------|---------------|
| Additional paid-in capital           | 62,757,668    | 40,297,853    |
| Common shares held as collateral     | —             | (20,000 )     |
| Accumulated deficit                  | (57,663,736 ) | (43,718,538 ) |
| Total stockholders' equity (deficit) | 5,525,818     | (3,078,955 )  |
|                                      | \$ 10,124,726 | \$ 3,786,796  |

See accompanying notes to unaudited condensed interim consolidated financial statements.

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American Power Group Corporation  
Condensed Consolidated Statements of Operations  
(Unaudited)

|           | Three Months Ended June 30, |           | Nine Months Ended June 30, |      |
|-----------|-----------------------------|-----------|----------------------------|------|
|           | 2012                        | 2011      | 2012                       | 2011 |
| Net sales | \$889,577                   | \$542,372 | \$1,858,478                | \$   |