**Majestic Oil & Gas, Inc.**

Balance Sheet

(unaudited)

| | December 31, 2011 |
|---|---|
| **Assets** | |
| Current assets | |
| Cash and cash equivalents | $ 3,126 |
| Total current assets | 3,126 |
| Oil and gas properties using the full cost method of accounting: | |
| Proved properties, subject to amortization, net of accumulated depletion of $183,710 | 486,036 |
| Total property and equipment, net | 486,036 |
| Long term assets | |
| Other long term assets | 610 |
| **Total assets** | **$ 489,772** |
| **Liabilities and shareholders' equity** | |
| Current liabilities | |
| Accounts payable and accrued liabilities | $ 17,023 |
| Total current liabilities | 17,023 |
| Long-term liabilities | |
| Asset retirement obligations | 8,879 |
| Related party loan payable | 10,130 |
| Total liabilities | 36,032 |
| Shareholders' equity | |
| Common stock; 100,000,000 authorized, 9,168,000 issued and outstanding | 9,168 |
| Additional paid in capital | 1,324,627 |
| Accumulated deficit | (880,055) |
| Total shareholders' equity | 453,740 |
| **Total liabilities and shareholders' equity** | **$ 489,772** |

**Majestic Oil & Gas, Inc**
Statement of Operations
(unaudited)

| | Year Ended December 31, 2011 |
|---|---|
| Revenues | |
| Oil and gas sales, net of production taxes | $ 21,331 |
| Total revenues | 21,331 |
| | |
| Lease operating costs | 8,246 |
| General and administrative costs | 43,475 |
| Total operating expenses | 51,721 |
| | |
| Operating loss | (30,390) |
| | |
| Other income and expense | |
| Interest expense | - |
| Impairment of oil and gas properties | - |
| Gain on sale of oil and gas properties | 1,255 |
| Total other income and expense | 1,255 |
| | |
| Loss before taxes | (31,645) |
| | |
| Income tax expense | 50 |
| | |
| Net loss | **$ (31,695)** |
| | |
| Basic and diluted net loss per common share | $ (0.00) |
| Weighted average common shares outstanding - Basic and diluted | 9,168,000 |

**Majestic Oil & Gas, Inc.**
Statement of Stockholders' Deficit

| | Common Stock | | Additional Paid-In | Retained | Total Stockholders |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | (Deficit) | Equity |
| Balance, December 31, 2010 | 9,168,000 | $ 1,314,500 | $ 19,295 | $ (848,360) | $ 485,435 |
| Net loss | | | | (31,695) | $ (31,695) |
| Balance, December 31, 2011 | **9,168,000** | **$ 1,314,500** | **$ 19,295** | **$ (880,055)** | **$ 453,740** |

| | Common Stock | | Additional Paid-In | Retained Earnings | Total Stockholders |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | (Deficit) | Equity |
| Balance, December 31, 2011 | 9,168,000 | $ 1,314,500 | $ 19,295 | $ (880,055) | $ 453,740 |
| Net loss | | | | (30) | $ (30) |
| Balance, December 31, 2012 | **9,168,000** | **$ 1,314,500** | **$ 19,295** | **$ (880,085)** | **$ 453,710** |

| | Common Stock | | Additional Paid-In | Retained Earnings | Total Stockholders |
|---|---|---|---|---|---|
| | Shares | Amount | Capital | (Deficit) | Equity |
| Balance, December 31, 2012 | 9,168,000 | $ 1,314,500 | $ 19,295 | $ (880,085) | $ 453,710 |
| Net loss | | | | (64,332) | $ (64,332) |
| Balance, December 31, 2013 | **9,168,000** | **$ 1,314,500** | **$ 19,295** | **$ (944,416)** | **$ 389,379** |