Lighthouse Petroleum, Inc.
Balance Sheet
For Year Ending December, 31, 2013
(Unaudited)

	As of December 31, 2012	As of March 31, 2013	As of June 30, 2013	As of September 30, 2013	As of December 31, 2013
ASSETS					
Current Assets:					
Cash and cash equivalents	11,029	14,257	8,576	8,412	8,532
Accounts receivable, net of allowance for doubtful accounts of $-	8,200	8,200	8,200	8,200	8,200
Restricted cash - note proceeds restricted as to use	-	-	-	-	-
Current derivative asset	-	-	-	-	-
Prepaid insurance and other	-	-	-	-	-
Total current assets	19,229	22,457	16,776	16,612	16,732
Oil and gas properties - Proved, using full cost method of accounting, net of accumulated depreciation	500,237	500,237	500,237	487,737	475,237
Account receivable-Subsidiary	744,600	744,600	744,600	744,600	744,600
Deferred federal income tax	-	-	-	-	-
Deferred financing cost, net of current portion	45,000	45,000	45,000	45,000	45,000
Office equipment, net of depreciation	-	-	-	-	-
Attorney/escrow deposit	462	462	462	462	462
Total longterm assets	1,290,299	1,290,299	1,290,299	1,277,799	1,265,299
Total assets	1,309,528	1,312,756	1,307,075	1,294,411	1,282,031
LIABILITIES AND STOCKHOLDER'S EQUITY					
Current liabilities					
Accounts payable	399,296	399,296	399,296	410,296	421,296
Wells payable	25,000	25,000	25,000	25,000	25,000
Notes payable-line of credit	8,000	8,000	8,000	8,000	8,000
Current deferred income tax	-	-	-	-	-
Other current liabilities	-	-	-	-	-
Total current liabilities	432,296	432,296	432,296	443,296	454,296
Notes payable	753,979	739,110	695,047	646,526	638,816
Asset retirement obligation	-	-	-	-	-
Total long term liabilities	753,979	739,110	695,047	646,526	638,816
Total liabilities	1,186,275	1,171,406	1,127,343	1,089,822	1,093,112
Stockholder's Equity					
Common stock, $0.0001 par value, 5,000,000,000 shares authorized; Issued and Outstanding, 3,373,577 shs at end of Q4 2013	5,429	50,748	153,311	236,832	265,542
Additional paid-in capital	3,885,585	3,885,585	3,885,585	3,885,585	3,885,585
Retained Earnings	(3,759,023)	(3,767,761)	(3,794,983)	(3,859,164)	(3,917,828)
Net Income (Loss)	(8,737)	(27,222)	(64,181)	(58,664)	(44,380)
Total stockholder's equity	123,254	141,351	179,732	204,589	188,919
Total liabilities and stockholder's equity	1,309,528	1,312,756	1,307,075	1,294,411	1,282,031

Lighthouse Petroleum, Inc.
Statement of Changes In Stockholders' Equity
For Year Ending December, 31, 2013
(Unaudited)

Beginning Common Stock	3,891,014	
Add: Additional Paid in Capital	260,113	
Ending Common Stock		4,151,127
Beginning Retained Earnings	(3,917,828)	
Plus: Net Income	(44,380)	
Less: Dividends	-	
Ending Retained Earnings		(3,962,208)
Total Stockholders' Equity		188,919

Lighthouse Petroleum, Inc.
Statement of Operations
For 3 months and Year Ending December, 31, 2013
(Unaudited)

	Year to Date December 31, 2012	As of March 31, 2013	As of June 30, 2013	As of September 30, 2013	As of December 31, 2013	Year to Date December 31, 2013
Revenue - oil and gas sales and consulting services	102,890	13,773	9,143	-	-	22,917
Expenses:						
Professional fees	59,729	750	-	11,000	11,000	22,750
Operating costs	31,491	900	23,277	2,000	-	26,177
Depreciation, depletion, and amortization	-	-	-	-	-	-
General and administrative	210,937	39,345	50,047	45,664	33,380	168,436
Total Expense	302,157	40,995	73,324	58,664	44,380	217,363
Loss from operations	(199,267)	(27,222)	(64,181)	(58,664)	(44,380)	(194,447)
Other income items:						
Loss on interest in Oil Lease						
Interest income (expense), net	(2,750)	-	-	-	-	-
Accounts payable write-off	-	-	-	-	-	-
Sale of IP	-	-	-	-	-	-
Income before income taxes	(202,017)	(27,222)	(64,181)	(58,664)	(44,380)	(194,447)
Provision for income tax (benefit)	-	-	-	-	-	-
Net Loss	(202,017)	(27,222)	(64,181)	(58,664)	(44,380)	(194,447)
Net loss per share:						
Basic and diluted	(0.0025)	(0.0002)	(0.0002)	(0.0001)	(0.0132)	(0.0576)
Weighted average shares outstanding:						
Basic and diluted	79,300,209	141,546,348	382,695,480	976,317,844	3,373,577	3,373,577

Lighthouse Petroleum, Inc.
Statement of Cash Flows
For 3 months and Year Ending December, 31, 2013
(Unaudited)

	Year to Date December 31, 2012	For the 3 months March 31, 2013	For the 3 months June 30, 2013	For the 3 months September 30, 2013	For the 3 months December 31, 2013	Year to Date December 31, 2013
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income (loss) in period	(202,017)	(27,222)	(64,181)	(58,664)	(44,380)	(194,447)
Adjustments to reconcile net loss to cash used by operating activities:						
Depreciation, depletion, amortization and accretion	-	-	-	-	-	-
Amortization of debt discount and deferred financing costs	-	-	-	-	-	-
Unrealized gain on derivative instruments, net	-	-	-	-	-	-
Stock bonus - salary	-	-	-	-	-	-
Contribution of rent	-	-	-	-	-	-
Expenses paid with APIC	12,650	-	-	-	-	-
Changes in operating assets and liabilities						
Accounts receivable	(8,200)	-	-	-	-	-
Prepaid expenses and other current assets	-	-	-	-	-	-
Deposits	-	-	-	-	-	-
Accounts payable	200,281	-	-	11,000	11,000	22,000
Officer loan	-	-	-	-	-	-
Other current liabilities	-	-	-	-	-	-
Deferred tax assets and liabilities	-	-	-	-	-	-
NET CASH USED IN OPERATING ACTIVITIES	2,714	(27,222)	(64,181)	(47,664)	(33,380)	(172,447)
CASH FLOWS FROM INVESTING ACTIVITIES						
Deposit paid for purchase of oil and gas properties	(37,500)	-	-	12,500	12,500	25,000
Accounts receivable - subsidiary	(45,000)	-	-	-	-	-
Additional (loss) from oil and gas properties	(112,737)	-	-	-	-	-
NET CASH USED IN INVESTING ACTIVITIES	(195,237)	-	-	12,500	12,500	25,000
CASH FLOWS FROM FINANCING ACTIVITIES						
Amounts due to related party	-	-	-	-	-	-
Proceeds from issuance of notes payable, gross	100,400	30,450	58,500	35,000	21,000	144,950
Repayment of notes payable	(1,500)	-	-	-	-	-
Deferred financing costs incurred	-	-	-	-	-	-
Change in note proceeds from subsidiary company	-	-	-	-	-	-
Proceeds from additional paid in capital	102,680	-	-	-	-	-
Proceeds from issuance of common stock	1,971	-	-	-	-	-
Changes in retained earnings	-	-	-	-	-	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	203,551	30,450	58,500	35,000	21,000	144,950
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,028	3,228	(5,681)	(164)	120	(2,497)
Cash and cash equivalents, beginning of period	1	11,029	14,257	8,576	8,412	11,029
Cash and cash equivalents, end of period	11,029	14,257	8,576	8,412	8,532	8,532
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	11,028	3,228	(5,681)	(164)	120	(2,497)

Lighthouse Petroleum, Inc.
Notes to Financial Statements
For Year Ending December 31, 2013
(Unaudited)

NOTE 1 - ORGANIZATION AND BUSINESS OPERATIONS

Lighthouse Petroleum, Inc., (the "Company" or "Lighthouse") is an oil and gas exploration and exploitation company focused on acquiring and producing oil and gas within the Ft. Worth Basin and the Permian Basin. The Company is organized under the laws of the State of Delaware.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in the United States of America ("GAAP") and the Securities and Exchange Commission Act of 1934.

Lighthouse is an exploration stage company. The accompanying financial statements are prepared in accordance with SFAS No. 7, "Accounting and Reporting by Development Stage Enterprises" and SEC Industry Guide 7.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could materially differ from those estimates.

Management believes that it is reasonably possible the following material estimates affecting the financial statements could significantly change in the coming year: (1) estimates of proved oil and gas reserves, and (2) forecast forward price curves for natural gas and crude oil. The oil and gas industry in the United States has historically experienced substantial commodity price volatility, and such volatility is expected to continue in the future. Commodity prices affect the level of reserves that are considered commercially recoverable; significantly influence Lighthouse's current and future expected cash flows; and impact the PV10 derivation of proved reserves presented in Lighthouse supplemental oil and gas reserve disclosures made herein.

Reclassification

Certain prior period amounts have been reclassified to conform to current period presentation.

Principles of consolidation

The consolidated financial statements include the accounts of Lighthouse Petroleum, Inc. and its 100% owned subsidiaries. The Company formed a wholly owned subsidiary, Lighthouse Petroleum, Inc. Texas ("Lighthouse Texas"), on December 31, 2011. On August 20, 2013, the Company sold Lighthouse Texas to Paradigm Oil & Gas, Inc. Please see Item VI of the Company's Annual Report ending December 31, 2013 for more information.

Cash and cash equivalents

For purposes of the balance sheet and statement of cash flows, the Company considers all highly liquid debt instruments purchased with maturity of three months or less to be cash equivalents. At the time of this posting, the Company had no material cash equivalents. Lighthouse may, in the normal course of operations, maintain cash balances in excess of federally insured limits.

Restricted cash (restricted as to use)

None.

Office equipment

Property and equipment is stated at cost. Depreciation is computed on a straight-line basis over the estimated useful lives ranging from three to five years.

Oil and gas properties

Lighthouse follows the full cost method of accounting for its oil and natural gas properties, whereby all costs incurred in connection with the acquisition, exploration for and development of petroleum and natural gas reserves are capitalized. Such costs include lease acquisition, geological and geophysical activities, rentals on non-producing leases, drilling, completing and equipping of oil and gas wells and administrative costs directly attributable to those activities and asset retirement coasts. Disposition of oil and gas properties are accounted for as reduction of capitalized costs, with no gain or loss recognized unless such adjustment would significantly alter the relationship between capital costs and proved reserves of oil and gas, in which case the gain or loss is recognized to income.

Depletion and depreciation of proved oil and gas properties is calculated on the units-of-production method based upon estimates of proved reserves. Such calculations include the estimated future costs to develop proved reserves. Oil and gas reserves are converted to a common unit of measure based on the energy content of 6,000 cubic feet of gas to one barrel of oil. Costs of unevaluated properties are not included in the costs subject to depletion. These costs are assessed periodically for impairment.

Ceiling test

In applying the full cost method, Lighthouse performs an impairment test (ceiling test) at each reporting, whereby the carrying value of oil and gas property and equipment is limited to the "estimated present value" of the future net revenues from its proved reserves, discounted at a 10 percent interest rate and based on current economic and operating conditions, plus the cost of properties not being amortized, plus the lower of cost of fair market value of unproved properties included in costs being amortized, less the income tax effects related to any book and tax basis differences of the properties. As of the time of this posting, no impairment of oil and gas properties was recorded.

Asset retirement obligation

In accordance with SFAS No. 143, "Accounting for Asset Retirement Obligations," Lighthouse records the fair value of a liability for asset retirement obligations ("ARO") in the period in which an obligation is incurred and records a corresponding increase in the carrying amount of the related long-lived asset. For Lighthouse, asset retirement obligations primarily relate to the abandonment of oil and gas properties. The present value of the estimated asset retirement cost is capitalized as part of the carrying amount of oil and gas properties and is depleted over the useful life of the asset. The settlement date fair value is discounted at Lighthouse's credit adjusted risk-free rate in determining the abandonment liability. The abandonment liability is accreted with the passage of time to its expected settlement fair value. Revisions to such estimates are recorded as adjustments to ARO and capitalized asset retirement costs and are charged to operations in the period in which they become known. At the time the abandonment cost is incurred, Lighthouse is required to recognize a gain or loss if the actual costs do not equal the estimated costs included in ARO.

The amounts recognized for ARO are based upon numerous estimates and assumptions, including future abandonment costs, future recoverable quantities of oil and gas, future inflation rates, and the credit adjusted risk-free rate.

Environmental

The Company is subject to environmental laws and regulations of various U.S. jurisdictions. These laws, which are constantly changing, regulate the discharge of materials into the environment and may require the Company to remove or mitigate the environmental effects of the disposal or release of petroleum or chemical substances at various sites.

Environmental costs that relate to current operations are expensed or capitalized as appropriate. Costs are expensed when they relate to an existing condition caused by past operations and will not contribute to current or future revenue generation. Liabilities related to environmental assessments and/or remedial efforts are accrued when property or services are provided or can be reasonably estimated.

Future income taxes

Income taxes are accounted for using the asset/liability method of income tax allocation. Future income taxes are recognized for the future income tax consequences attributable to differences between the carrying values of assets and liabilities and their respective income tax bases. Future income tax assets and liabilities are measured using income tax rates expected to apply to taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in income tax rates is including in earnings in the period that such change in income tax rates is enacted. Future income tax assets are recorded in the financial statements if realization is considered more likely than not.

Revenue and cost recognition

Lighthouse uses the sales method to account for sales of crude oil and natural gas. Under this method, revenues are recognized bases on actual volumes of oil and gas sold to purchasers. The volumes sold may differ from the volumes to which Lighthouse is entitled based on the interest in the properties. These differences create imbalances which are recognized as a liability only when the imbalance exceeds the estimate of remaining reserves. Lighthouse had no production, revenue or imbalances as of the time of this posting. Costs associated with production are expensed in the period incurred.

Loss per share

Basic net loss per common share is computed by dividing net loss 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, the weighted-average number of common shares outstanding excludes common stock equivalents, because their inclusion would be anti-dilutive.

Comprehensive loss

Comprehensive loss is the total of (1) net loss plus (2) all other changes in net assets arising from non-stockholder sources, which are referred to as other comprehensive income. The Company has presented other comprehensive income on the statement of stockholders' equity.

Fair value of financial instruments

The carrying value of cash and cash equivalents, accounts payable and accrued expenses and other liabilities approximates fair value due to the short term maturity of these instruments. The carrying value of the notes payable are believed to approximate their fair value as of the time of this posting based upon the relatively short period these instruments have been outstanding during fiscal year.

New Accounting Pronouncements

Lighthouse does not expect the adoption of recently issued accounting pronouncements to have a significant impact on their results or operations, financial position or cash flows.

NOTE 3 - SUPPLEMENTAL INFORMATION ON OIL AND GAS PRODUCING ACTIVITIES

There are numerous uncertainties inherent in estimating quantities of proved crude oil and natural gas reserves. Crude oil and natural gas reserve engineering is a subjective process of estimating underground accumulations of crude oil and natural gas that cannot be precisely measured. The accuracy of any reserve estimate is a function of the quality of available date and of engineering and geological interpretation and judgment.

Results of drilling, testing and production subsequent to the date of the estimates may justify revision of such estimates. Accordingly, reserve estimates are often different from the quantities of crude oil and natural gas that are ultimately recovered. All of the Company's reserves are located in the United States. There were no proved reserves at the time of this posting.

NOTE 4 - ACTIVITIES OF SUBSIDIARY CORPORATION

Lighthouse Petroleum, Inc. has a defunct subsidiary, Well Renewal, Inc., which was incorporated in Oklahoma. The Company is currently researching and determining the collectability of various judgments incurred against the subsidiary, totaling approximately $189,703, for which Lighthouse Petroleum, Inc. may be ultimately liable.

The Company formed a wholly owned subsidiary, Lighthouse Petroleum, Inc. Texas ("Lighthouse Texas"), on December 31, 2011. On August 20, 2013, the Company sold Lighthouse Texas to Paradigm Oil & Gas, Inc. Please see Item VI of the Company's Annual Report ending December 31, 2013 for more information.