



BNP PETROLEUM CORPORATION

FINANCIAL STATEMENTS

MARCH 31, 2005



The financial statements present fairly, in all material aspects, the financial position of the company and the results of its operation and cash flow for the period presented, in conformity with accounting principals generally accepted in the United States, consistently applied and hereby certified by Rafael Pinedo, President and Olushola Johnson, Finance Director of BNP Petroleum Corporation

BNP PETROLEUM CORPORATION
April 29, 2005
Certified By_/s/Rafael Pinedo
Rafael Pinedo, President

Certified By_/s/Olushola Johnson
Olushola Johnson, Finance Director

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To the shareholders
BNP Petroleum Corporation
Irving, Texas

We have compiled the accompanying balance sheet of BNP Petroleum Corporation (an Delaware Corporation) as of March 31, 2005 and the related statements of income, stockholders' equity, and cash flows for the eleven months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

The information in the accompanying supplemental schedule; Administrative Expenses are presented only for supplementary analysis purposes.

BNP PETROLEUM CORPORATION
BALANCE SHEET
MARCH 31, 2005

ASSETS

CURRENT ASSETS:

Cash	\$ 7,580
TOTAL CURRENT ASSETS	<u>7,580</u>

OTHER ASSETS

Investments - Working Interest (net)	<u>240,000</u>
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TOTAL OTHER ASSETS	<u>240,000</u>
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TOTAL ASSETS	<u>\$ 247,580</u>
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LIABILITIES & STOCKHOLDERS' EQUITY

CURRENT LIABILITIES:

Accounts payable	\$ 4,974
Payable - related party	<u>5,250</u>

TOTAL CURRENT LIABILITIES	<u>10,224</u>
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STOCKHOLDERS' EQUITY

Common Stock, \$0.0001 par value, 1,000,000,000 shares authorized and 323,520,011.75 shares issued and outstanding	32,352
Additional paid in capital	322,526
Retained earnings	<u>(117,522)</u>

TOTAL STOCKHOLDERS' EQUITY	<u>237,356</u>
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TOTAL LIABILITIES & STOCKHOLDERS' EQUITY	<u>\$ 247,580</u>
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See accountants' report and accompanying notes

BNP PETROLEUM CORPORATION
INCOME STATEMENT
ENDED MARCH 31, 2005

Revenue	\$ <u>3,500</u>
Gross Profit	<u>3,500</u>
Expenses:	
Administrative (See schedule on page 7)	<u>18,465</u>
Total Expenses	<u>18,465</u>
Operating Income	<u>(14,965)</u>
Net Income	<u><u>\$ (14,965)</u></u>

See accountants' report and accompanying notes

BNP PETROLEUM CORPORATION
SUPPLEMENTAL SCHEDULE - ADMINISTRATIVE EXPENSES
MARCH 31, 2005

Administrative Expenses:	
Office Exp.	2,000
Advertising	\$ 6,000
Bank fees	15
Contract Labor	7,950
Professional fees	<u>2,500</u>
 TOTAL	 <u>\$ 18,465</u>

See accountants' report and accompanying notes

BNP PETROLEUM CORPORATION
STATEMENT OF CASH FLOWS
MARCH 31, 2005

Cash Flows From Operating Activities:

Net Loss	\$ (14,965)
Adjustments to reconcile net income to net cash provided by operations:	
Net changes in certain working capital items	<u>4,974</u>
Net cash provided by operating activities	<u>(9,991)</u>

Financing Activities:

Common Stock Issuance	12,321
Shareholder Advance	<u>5,250</u>
Net cash provided in financing activities	<u>17,571</u>

Increase in cash	7,580
Cash, beginning of year	<u>0</u>
Cash, end of year	<u>\$ 7,580</u>

Supplemental information:

Investments purchased with stock	<u>\$ 240,000</u>
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See accountants' report and accompanying notes

BNP PETROLEUM CORPORATION
STATEMENT OF STOCKHOLDERS' EQUITY
MARCH 31, 2005

	<u>Common Stock</u>	<u>Additional Paid in Capital</u>	<u>Retained Earnings</u>	<u>Total</u>
Balances at beginning of year	\$102,557	\$ 0	\$(102,557)	\$ 0
Recapitalization restatement	<u>(70,399)</u>	<u>70,399</u>	_____	_____
Adjusted Balances	32,158	70,399	(102,557)	0
Net loss			(14,965)	(14,965)
Stock Issuance	<u>194</u>	<u>252,127</u>	_____	<u>252,321</u>
Balances at end of year	<u>\$ 32,352</u>	<u>\$322,526</u>	<u>\$(117,522)</u>	<u>\$237,356</u>

See accountants' report and accompanying notes

BNP PETROLEUM CORPORATION
NOTES TO FINANCIAL STATEMENTS
MARCH 31, 2005

A. Nature of Business

BNP Petroleum Corporation (the "Company") is a Delaware corporation incorporated in 1998. The Company will invest in working interests and oil and gas leases throughout the United States.

B. Accounting Policies

A summary of the Company's significant accounting policies consistently applied in the preparation of the accompanying consolidated financial statements follows:

Basis of Accounting

The accounts are maintained and the financial statements have been prepared using the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts in the financial statements and accompanying notes. Actual results could differ from these estimates and assumptions.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. At MARCH 31, 2005, the Company had no such investments included in cash and cash equivalents. The Company maintains deposits primarily in one financial institution, which may at times exceed amounts covered by insurance provided by the U.S. Federal Deposit Insurance Corporation ("FDIC"). There were no uninsured deposits at MARCH 31, 2005.

B. Accounting Policies - continued

Revenue Recognition

The Company generally recognizes revenue upon receipt of oil sales and revenue recognition for services.

Asset Recognition

The company will recognize only proven reserves, at this time the company only has unproven reserves due to inactivity of the wells.

