Boomerang Oil, Inc.
Formerly (0922327 B.C. Ltd.)

Unaudited Condensed Interim Financial Statements

March 31, 2014

(Expressed in Canadian dollars)

MANAGEMENT'S RESPONSIBILITY FOR UNAUDITED CONDENSED INTERIM FINANCIAL REPORTING

The accompanying unaudited condensed interim financial statements of Boomerang Oil, Inc. [the "Company"] are the responsibility of the management and Board of Directors of the Company. The unaudited condensed interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the balance sheet date. In the opinion of management, the unaudited condensed interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced. The Board of Directors is responsible for reviewing and approving the unaudited condensed interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company’s affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

Dennis R. Alexander
Chief Executive Officer

Paradise Valley, AZ, 85253
May 29, 2014

NOTICE TO READERS

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements for the six months and three months period ended March 31,2014 have not been reviewed by the Company's auditors.

Boomerang Oil, Inc.
Unaudited Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2014 $	September 30, 2013 $
Assets		
Current		
Cash & cash equivalents	90,827	673
Trade receivables	5,559	
HST receivable	625	625
Total current assets	97,011	
Non-current assets		
Oil and gas leases	1,373,304	
Well equipment ,net of depreciation	32,572	
Total non-current assets	1,405,876	
Total Assets	**1,502,887**	**1,298**
Liabilities and Shareholders' Deficiency		
Current Liabilities		
Accounts payable	6,943	13,127
Accrued liabilities	4,000	3,500
Notes payable	438,880	
	449,823	16,627
Shareholders' Deficiency:		
Capital stock (Note 5)	348,000	2,500
Additional paid in capital	747,702	
Deficit	(42,638)	(17,829)
	1,053,064	(15,329)
Total Liabilities and Shareholders' Deficiency	**1,502,887**	**1,298**

Nature and Continuance of Operations (Note 1)
Commitment (Note 4)
Subsequent Event (Note 11)

Approved and authorized for issue by the Board of Directors on March 26, 2014:

"Dennis R. Alexander"
Dennis R. Alexander
Director

The accompanying notes are an integral part of these unaudited Condensed Interim Financial Statements

Boomerang Oil, Inc.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss (Expressed in Canadian dollars)

		Six Months Ended March 31, 2014	Six Months Ended March 31, 2013	Three Months Ended March 31, 2014	Three Months Ended March 31, 2013
Revenue:					
Petroleum and natural gas revenue	$	39,728	-	39,728	-
Expenses					
Depreciation		1,206	-	1,206	-
General and admin		29,162	-	28,665	-
Production and operating-petroleum and natural gas		34,169	1,585	34,169	1,565
Net loss and total comprehensive loss for the period	$	24,809	1,585	24,312	1,584
Basic and diluted loss per common share	$	(0.0004)	(0.002)	(0.0004)	(0.002)
Weighted average number of common shares outstanding		71,125,792	1,025,792	71,125,792	1,025,792

The accompanying notes are an integral part of these unaudited Condensed Interim Financial Statements

Boomerang Oil, Inc.

Unaudited Condensed Interim Statements of Changes in Shareholders' Deficiency (Expressed in Canadian dollars except the number of shares)

	Number of Outstanding Shares	Share Capital	Reserves	Deficit	Total Shareholders' Deficiency
		$	$	$	$
Balance, March 31, 2013	1,025,792	2,500	–	(79,040)	(76,540)
Net loss and comprehensive loss for the period	–	–	–	(1,584)	(1,584)
Balance, September 30, 2013	1,025,792	2,500	–	(17,829)	(15,329)
Net income and comprehensive income for the period	–	–	–	(497)	(497)
Balance, December 31, 2013	1,025,792	2,500	–	(18,326)	(15,826)
Stock issued for acquisition on Amalgamation	70,000,000	345,000	728,202		1,073,202
Stock issued for private placement	100,000	500	19,500		20,000
Net loss and comprehensive loss for the period	–	–	–	(24,312)	(24,312)
Balance, March 31, 2014	71,125,792	348,000	747,702	(42,638)	1,053,064

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements

Boomerang Oil, Inc.

Unaudited Condensed Interim Statements of Cash Flows (Expressed in Canadian dollars)

		Three Months Ended March 31, 2014	Three Months Ended March 31, 2013	Six Months Ended March 31, 2014	Six Months Ended March 31, 2013
Cash (used in) /provided by:					
Operating activities					
Net loss for the period	$	(24,312)	(1,585)	(24,809)	(1)
Change in non-cash working capital components					
HST receivable		-	290	-	-
Trade receivables		(5,559)		(5,559)	1
Depreciation		1,206		1,209	
Accounts payable & accrued liabilities		(6,181)	1,733	(6,193)	-
Other payables		338,880		338,880	
Net cash provided by (used in) operating activities		304,034	438	304,034	-
Financing activities		-	-	-	-
Net cash provided by financing activities		100,000	-	100,000	-
Investing activity		-	-	-	-
Investment in oil and gas assets		313,371		313,371	
Net cash used in investing activities		313,371	-	313,371	-
Change in cash		90,663	438	90,154	-
Cash, beginning of the period		164	-	673	-
Cash, end of the period		90,827	438	90,827	-
Cash paid during the year for interest expense	$	-	-	-	-
Cash paid during the year for income taxes	$	-	-	-	-

The accompanying notes are an integral part of these Unaudited Condensed Interim Financial Statements

1. NATURE AND CONTINUANCE OF OPERATIONS

0922327 BC Ltd. (the "Company"), now named "Boomerang", was incorporated on October 7, 2011 and, pursuant to a Plan of Arrangement between the Company and Silican Processing Corp. ("Silican") dated October 8, 2011, it was to acquire the Letter of Intent signed between Silican and Crystal Peak Abrasives Ltd. ("Crystal Peak LOI") and $2,500 in cash from Silican as part of the Arrangement Agreement, and was to commence operations as a mineral property exploration company. The $2,500 coming from Silican as part of the Arrangement was to provide the Company with the capital necessary to fulfill its short-term needs. As consideration for this asset, the Company issued 20,515,911 common shares, multiplied by the Conversion Factor, or total of 1,025,792 common shares, as defined in the Plan of Arrangement, which shares were distributed to the Silican Shareholders who held Silican Shares on the Share Distribution Record Date. Silican completed the Plan of Arrangement registration filing on November 15, 2011 and transferred $2,500 cash and assigned the Crystal Peak LOI to the Company on April 12, 2012. The Company initiated the share distribution on May 1, 2012 and issued 1,025,792 common shares to Silican, which were then re-distributed to the shareholders of Silican as of record date of November 17, 2011. The Company's principal business following the Plan of Arrangement was to commence operations as a development stage company with the principal business being the exploration and development of mining properties. The Company could also acquire additional properties and could carry out early stage exploration on such mineral properties and then sell, option or joint venture the properties.

On June 22, 2012 the Company entered into another non-binding Letter of Intent with Railhead Resources Ltd. (See Note 6). The Company has decided to let this letter of intent lapse and not pursue the mining sector.

On January 22, 2014, the Company entered into another binding Letter of Intent with Shale Corp., (See Note 6) which provides that upon completion of the Transaction the Company will acquire all of the issued and outstanding Shale Shares. Shale Corp. owns a number of Oil and Gas assets in Texas, USA. Subsequent to signing the Letter of Intent, the Issuer entered into a amalgamation agreement dated January 30, 2014 with Shale, which replaces and supersedes the Letter of Intent in its entirety.

On March 26, 2014 the Company concluded on the amalgamation agreement and acquired all of the issued and outstanding Shale Shares, subject to the terms and conditions of the amalgamation agreement. The purchase price paid on the Closing Date was by the issuance of 70,000,000 common shares of the capital stock of the Company at a deemed price of $0.015 per common share to the Shale Shareholders. Pursuant to the amalgamation agreement, Shale amalgamated with Newco and became a wholly-owned subsidiary of the Company and changed its name to Boomerang Oil, Inc.

On March 31, 2014, the Company completed a private placement for $20,000 and issued 100,000 common shares of the company at $.20 per share.

1. NATURE AND CONTINUANCE OF OPERATIONS (continued)

The head office and principal office of the Company is located at 2922 Mt. Seymour Parkway, North Vancouver, BC, V7H 1E9.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, as intended, and its financial success may be dependent upon the extent to which it can explore and develop Oil and Gas properties and the economic viability of developing any such additional properties.

The discovery of and the development of Oil and Gas properties to the point where they will produce economically may take years to complete and the amount of resulting income, if any, is difficult to determine with any certainty. As a development stage company, the company is planning to continue to produce revenues from its existing properties, however expansion and growth will be dependent on obtaining development financing in the future, which can not be determined, if at all, at this time. On March 31, 2014 the Company had not yet achieved profitable operations, had recurring losses, a deficit of $24,809 for the 2nd Quarter ending March 31, 2014 with a cumulative deficit since inception of 42,638 (December 31, 2013 - $18,329), a working capital deficiency of $358,996 (December 31, 2013 - $16,451), and expects to incur further losses in the development of its business, all of which casts substantial doubt about the Company's ability to continue as a going concern. These unaudited condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. BASIS OF PRESENTATION

The Company was incorporated on October 7, 2011. These unaudited condensed interim financial statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These unaudited condensed interim financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Significant accounting judgments and estimates

The preparation of these unaudited condensed interim financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods. Accounts which require management to make material estimates and significant assumptions in determining amounts recorded include valuation of share-based transactions and provision for deferred income tax.

Judgments made by management that have the most significant effect on the unaudited condensed interim financial statements are discussed in Notes 3d), 3e), 3f), 3i) and 3(m).

b) Cash and cash equivalents

Cash and cash equivalents are comprised of cash in banks, and all short-term investments that are highly liquid in nature, cashable, and have an original maturity date of three months or less. As at March 31, 2014, there is $Nil included as cash equivalents.

c) Shared-based payments

Pursuant to the Company's option plan ("Option Plan"), the Company may grant stock options to directors, officers and employees for the purchase of the capital stock of the Company. Included in the Option Plan are provisions that provide that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. At the discretion of the Board of Directors of the Company, options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Deferred income taxes

Deferred income tax assets and liabilities are recognized for deferred income tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that substantive enactment occurs. To the extent that the Company does not consider it more likely than not that a deferred income tax asset will be recovered, the deferred income tax assets is reduced. Deferred income tax assets and liabilities are offset only if a legally enforceable right exists to offset current tax assets against liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

e) Financial instruments

Financial instruments are defined as any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

Financial instruments at fair value through profit or loss (FVTPL).

Financial instruments are classified as FVTPL when they are held for trading. A financial instrument is held for trading if it was acquired for the purpose of selling in the near term. Financial instruments classified as FVTPL are stated at fair value with any changes in fair value recognized in earnings for the period.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, these financial assets are recorded at amortized cost using the effective interest method less any impairment.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Financial instruments (continued)

Available-for-sale financial assets

Available-for-sale are non-derivative financial assets that are designated as available-for-sale or that are not classified in any other financial asset categories. Subsequent to initial recognition, changes in fair value, other than impairment losses, are recognized in other comprehensive income (loss) and presented in the fair value reserve in shareholders' equity. When the financial assets are sold or an impairment write-down is required, losses accumulated in the fair value reserve recognized in shareholders' equity are included in profit or loss.

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels: Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities; Level 2 – valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

f) Impairment

i) Non-financial assets

The carrying amounts of the Company's non-financial assets, other than deferred income tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or group of assets (the "cash-generating unit").

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Impairment (continued)

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cost flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net income (loss). Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized.

ii) Financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in net income (loss) and reflected in an allowance account against receivables. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through net income (loss).

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

g) Impairment income (loss)

Comprehensive income (loss) is the change in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders and includes items that are not included in net profit. Other comprehensive income (loss) consists of changes to unrealized gain and losses on available for sale financial assets, changes to unrealized gains and losses on the effective portion of cash flow hedges and changes to foreign currency translation adjustments of self-sustaining foreign operations during the period. income (loss) measures net earnings for the period plus other comprehensive income (loss). Amounts reported as other comprehensive income (loss) are accumulated in a separate component of shareholders' equity as Accumulated Other Comprehensive Income (Loss). The Company has not had other comprehensive income (loss) since inception and accordingly, a statement of comprehensive income (loss) has not been presented.

h) Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing the net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average share outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

i) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. The increase in the obligation due to the passage of time is recognized as finance expense.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Provisions (continued)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

j) Future changes in accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting years after January 1, 2013 or later years. Many are not applicable or do not have a significant impact to the Company and have been excluded from the summary below. The company has not yet begun the process of assessing the impact that the new and amended standards will have on its financial statements or whether to early adopt any of the new requirements.

IFRS 9, Financial Instruments, replaces the current standard IAS 39, Financial Instruments: Recognition and Measurement, replacing the current classification and measurement criteria for financial assets and liabilities with only two classification categories: amortized cost and fair value.

IFRS 10 requires an entity to consolidate an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Under existing IFRS, consolidation is required when an entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. IFRS 10 replaces SIC-12 Consolidation—Special Purpose Entities and parts of IAS 27 Consolidated and Separate Financial Statements.

IFRS 11 requires a venturer to classify its interest in a joint arrangement as a joint venture or joint operation. Joint ventures will be accounted for using the equity method of accounting whereas for a joint operation the venture will recognize its share of the assets, liabilities, revenue and expenses of the joint operation. Under existing IFRS, entities have the choice to proportionately consolidate or equity account for interests in joint ventures. IFRS 11 supersedes IAS 31, Interests in Joint Ventures, and SIC-13, Jointly Controlled Entities—Non-monetary Contributions by Venturers.

IFRS 12 establishes disclosure requirements for interests in other entities, such as joint arrangements, associates, and special purpose vehicles and off balance sheet vehicles. The standard carries forward existing disclosures and also introduces significant additional disclosure requirements that address the nature of, and risks associated with, an entity's interests in other entities.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

j) Future changes in accounting policies (continued)

IFRS 13 is a comprehensive standard for fair value measurement and disclosure requirements for use across all IFRSs. The new standard clarifies that fair value is the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants, at the measurement date. It also establishes disclosures about fair value measurement. Under existing IFRS, guidance on measuring and disclosing fair value is dispersed among the specific standards requiring fair value measurements and in many cases does not reflect a clear measurement basis or consistent disclosures.

In addition, there have been amendments to existing standards, including IAS 27 and IAS 28. IAS 27 addresses accounting for subsidiaries, jointly controlled entities and associates in non-consolidated financial statements. IAS 28 has been amended to include joint ventures in its scope and to address the changes in IFRS 10 – 13.

k. Exploration, development and evaluation

The Company is in the exploration and development stage with respect to its investment in oil and gas properties and accordingly follows the practice of capitalizing all costs relating to the acquisition of, exploration and development of oil and gas interest claims crediting all proceeds received for farm-out arrangements or recovery of costs against the cost of the related interests. Such costs include, but are not exclusive to, geological, geophysical studies, exploratory drilling and sampling. At such time as commercial production commences, these costs will be charged to operations on a unit-of-production method based on proven and probable reserves. The aggregate costs related to abandoned oil and gas wells and or properties are charged to operations at the time of any abandonment or when it has been determined that there is evidence of a permanent impairment. An impairment charge relating to a oil and gas property is subsequently reversed when new exploration results or actual or potential proceeds on sale or farm-out of the property result in a revised estimate of the recoverable amount but only to the extent that this does not exceed the original carrying value of the property that would have resulted if no impairment had been recognized.

The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain financing to complete development of the properties, and on future production or proceeds of disposition.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

k) Exploration, development and evaluation (continued)

The Company recognizes in income the costs recovered on oil and gas properties when the amounts received or receivable are in excess of the carrying amount.

Upon transfer of “Exploration and evaluation costs” into “Oil and Gas Development”, all subsequent expenditure on the construction, installation or completion of infrastructure facilities is capitalized within “Oil and Gas development”. After production starts, all assets included in “Oil and Gas development” are transferred to “Producing Assets”.

All capitalized exploration and evaluation expenditure is monitored for indications of impairment. Where a potential impairment is indicated, assessments are performed for each area of interest. To the extent that exploration expenditure is not expected to be recovered, it is charged to the results of operations. Exploration areas where reserves have been discovered, but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway as planned.

l) Segment reporting

A reportable segment, as defined by 'IFRS 8 Operating Segments', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the oil and exploration and development segment.

m) Environmental Rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of the oil and gas property when those obligations result from the acquisition, development or normal operations of the assets. The net present value of future rehabilitation cost estimates arising from decommissioning a site and other work is capitalized to resource assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as oil and gas assets.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Environmental Rehabilitation (continued)

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to resource assets with a corresponding entry to the rehabilitation provision. The Company's estimates are renewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charges to profit and loss for the period.

The net present value of restoration costs arising from subsequent site damage that is incurred on an ongoing basis during production are charged to the income statement in the period incurred.

As at March 31, 2014, the Company, given the early stage of exploration on its mineral property, has no reclamation costs and therefore no provision for environmental rehabilitation has been made.

n) Fixed Assets

Fixed assets are stated at cost. Depreciation expense is computed using the straight-line method over the estimated useful life of the asset. The following is a summary of the estimate useful lives used in computing depreciation expense.

o) Well Equipment – 5 Years

Expenditures for major repairs and renewals that extend the useful life of the asset are capitalized. Minor repair expenditures are charged to expense as incurred.

4. COMMITMENTS

The Company's Subsidiary has entered into two promissory note agreements in the total aggregate amount of $438,880 effective January 1, 2014 as follows:

i) Assumption of $320,705.16 pro rata portion with identical terms as of the date of even, of an Agreement effective as of July l, 2012 by and between EGPI Firecreek, Inc., a Nevada corporation, and its wholly owned subsidiary Energy Producers Inc., also a Nevada corporation, and TWL Investments a LLC, ("TWL") an Arizona limited liability company, each a "Party" and collectively (the "Parties"). The material terms of the note are 18% interest only, compounded monthly, and due per the terms of each of the underlying collective agreements, as amended, or on demand. The debt is secured by the oil and gas interests related to the JB Tubb Leasehold Estate only, held by the subsidiary. The term of the assumed debt is based on an extension of the term of the TWL Investments, a LLC Note to Thirty Six (36) months from July 1, 2012, the last amended date thereof, and adjust the total monthly payment due each month by increasing the amortization period from the current 24 months to one hundred twenty (120) months with a balloon payment due in Thirty Six months (36) in the amount of any remaining amounts owed TWL including principal, interest, fees, damages, penalties or any other amounts then due.

ii) Assumption of $105,094.87 pro rata portion with identical terms as of the date of even, of an Agreement effective as of December 31, 2013 by and between EGPI Firecreek, Inc., a Nevada corporation, 85253 and its wholly owned subsidiary Energy Producers Inc., also a Nevada corporation, and Mr. Thomas J. Richards, an individual residing in Mesa, Arizona, each a "Party" and collectively (the "Parties"). The material terms of the note are 18% interest only, compounded monthly, and due per the terms of each of the underlying collective agreements, as amended, or on demand. The debt is secured by the oil and gas interests related to the JB Tubb Leasehold Estate only, held by the Company.

On March 26, 2014 the Company's Subsidiary entered into a Modification and Extension to "Amended Participation Agreement" dated January 21, 2014. The Modification and Extension updates and extends Exhibit "B" of an Asset Purchase Agreement made and entered into as of January 21, 2014, the Effective Date ("Effective Date"), by and among Shale Corp., a corporation organized under the laws of the Province of Ontario in Canada with its principal place of business located at 365 Bay St, Suite 400, Toronto On, M5H 2V1, and the Investor acting as Mondial Ventures, Inc., along with approvals from Success Oil Co., Inc., its Operator and Partner, EGPI Firecreek, Inc. via its wholly owned subsidiary Energy Producers, Inc., Partner, and

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4. COMMITMENTS (Continued)

TWL Investments, LLC, investing participants, to amend, modify and extend Section II. Paragraph one thereto, giving extra time to the Participation Agreement allowing for six (6) months (through June 30, 2014 unless mutually extended by all parties thereto) for participants to deliver to Operator Participant's share of the Turnkey Cost to Casing Point for drilling of the first Prospect Well, and the first project for development on a successful completion of financing.

On March 26, 2014 the subsidary entered into a Second Amendment to Modification, Amendment, and Further Extension of the Agreement to Extend Option dated effective on December 31, 2013 between EGPI Firecreek, Inc. on behalf of itself and all of its wholly owned subsidiaries including, but not limited to, Energy Producers, Inc. ("EPI"), and Mondial Ventures, Inc., which is amended to be by and through 2301840 Ontario Inc., a wholly owned subsidiary of Boomerang Oil, Inc. (formerly 0922337 BC LTD) ("Boomerang"), now a Majority owned subsidiary of Mondial Ventures, Inc.. The parties thereto, as amended, having earlier entered into an Agreement to Extend Option with Success Oil Co., Inc., ("Success") along with all the parties to wit, agreed summarily to i) further extend the Option Agreement through June 30, 2014 unless further modified or extended by the parties in writing, and ii) in summary, to allow certain past due capital expenditure costs in the total aggregate amount of $200,000 historically held by Success to begin to be paid out of available cash flow on a monthly basis from the Joint Interest Billings, and from only the current producing economic wells and interests, pro rata, not to include future wells, and to begin after April 6, 2014 for the January 2014 forward billings, until paid, unless otherwise negotiated to the satisfaction of Success.

(Expressed in Canadian dollars)

5. CAPITAL STOCK

a.	Authorized:	unlimited Common shares without par value		
b.	Issued and Outstanding:			
			Number of Shares	Amount ($)
Common shares issued for cash			1	1
Cancellation of incorporator share			-1	(1)
Shares issuance pursuant to Plan of Arrangement			1,025,792	2,500
Balance as at September 30, 2012, September 30, 2013 & December 31, 2013			**1,025,792**	**2,500**
Shares issued on Amalgamation			70,000,000	345,000
Shares issued for Cash			100,000	500
Balance as at March 31, 2014			71,125,792	**348,000**

One common share was issued at $1 per common share on October 7, 2011 to Silican. The incorporator share was cancelled on May 1, 2012.

As discussed in Note 1, the Company issued 1,025,792 common shares to Silican and Silican re-distributed these shares to its shareholders as of record date of November 17, 2011. The aggregate fair value of these shares in the amount of $2,500 was based on the fair value estimates of assets transferred from Silican to the Company. On April 12, 2012, Silican transferred $2,500 cash and assigned the Cystal Peak LOI valued at $Nil to the Company.

On March 26, 2014, the Company closed a “three cornered amalgamation” pursuant to an acquisition and amalgamation agreement (“Amalgamation Agreement”) dated March 25, 2014 among Boomerang Oil Inc. (formerly 0922327 B.C. Ltd.) (“Boomerang”), SCorp, and 2301840 Ontario Inc. (“Newco”), a wholly-owned subsidiary of Boomerang incorporated solely for the purpose of completing the Amalgamation. Pursuant to the Amalgamation Agreement, SCorp amalgamated with Newco to form a combined entity (“Amalco”) and Boomerang issued 70,000,000 common shares in the capital of Boomerang to the holders of common shares in the capital of SCorp on the basis of one share of Boomerang for one share of SCorp held by the SCorp shareholders.

On March 31, 2014, the Company completed a private placement for $20,000 and issued 100,000 common shares of the company at $.20 per share.

5. CAPITAL STOCK (Continued)

Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

As at and during the period ended March 31, 2014, no options were granted or outstanding.

6. MINERAL PROPERTY INTEREST

On September 29, 2011, Silican entered into a Letter of Intent with Crystal Peak Abrasives Ltd. ("Crystal") and the shareholders of Crystal Peak Abrasives Ltd. (the "Vendor"), owners of 100% of the issued and outstanding capital stock of Crystal, with respect to a proposed transaction in which Silican was to form a subsidiary (the "Company") to purchase all of the issued and outstanding capital stock of Crystal (the "Shares") from the Vendor. Crystal has a Garnet property, consisting of 2 crown reverted Grants and 2 unpatented map staked claims, which is located on Mount Riordan in the Osoyoos Mining Division of British Columbia at Latitude 49°24' North and Longitude 119° 55' West, between Hedley and Penticton British Columbia. The property is located 2 kilometres west of the Apex Ski Village and 7 kilometres east of the Nickel Plate Gold Mine and 300 kilometres east of Vancouver British Columbia. The Company was to purchase the capital stock of Crystal (the "Purchase Price"), subject to the terms and conditions of the Definitive Agreement. The Purchase Price was to be paid on the date of closing by the issuance of approximately 39,000,000 post-consolidated common shares of the capital stock of the Company at a deemed price of $0.10 per common share to the Vendor. The exact number of shares to be issued by the Company was to be determined prior to entering into the Definitive Agreement.

On April 12, 2012, Silican assigned the Crystal Peak LOI to the Company as part of the Plan of Arrangement discussed above.

On June 22, 2012, the Company entered into another Letter of Intent with Railhead Resources Ltd.

6. MINERAL PROPERTY INTEREST (Continued)

(“Railheadl”) and the shareholders of Railhead Resources Ltd. (the “Vendor”), owners of 100% of the issued and outstanding capital stock of Railhead, with respect to a proposed transaction in which the Company was to purchase all of the issued and outstanding shares of Railhead. Railhead owns 100% of the RHG property in northern British Columbia, Canada and has options to earn a 100% interest in several properties in Nevada, USA namely Quartz Mountain, Downeyville, Ellsworth, San Juan, Troy, Grant, Irwin, Willow. In addition, Railhead has the option to a 100% interest in the San Jose project in Honduras. The RHG property consist of eleven contiguous claims covering 3,501 hectares and lies approximately 115 kilometres southwest of Dease Lake, British Columbia and 35 kilometres west of Telegraph Creek, BC. An independent technical report which is NI 43-101 compliant was be completed on the RHG property prior to entering into a definitive agreement. The Company was to purchase the capital stock of Railhead (the “Purchase Price”), subject to the terms and conditions of the Definitive Agreement. The Purchase Price was to be paid on the date of closing by the issuance of approximately 32,000,000 common shares of the capital stock of the Company at a deemed price of $0.20 per common share to the Vendor. The exact number of shares to be issued by the Company shall be determined prior to entering into the Definitive Agreement.

The Company has decided to let this letter of intent lapse and not pursue the mining sector.

7. ACQUISITION OF OIL AND GAS INTERESTS

On March 26, 2014, the Company closed a “three cornered amalgamation” pursuant to an acquisition and amalgamation agreement (“Amalgamation Agreement”) dated March 25, 2014 among Boomerang Oil Inc. (formerly 0922327 B.C. Ltd.) (“Boomerang”), SCorp, and 2301840 Ontario Inc. (“Newco”), a wholly-owned subsidiary of Boomerang incorporated solely for the purpose of completing the Amalgamation. Pursuant to the Amalgamation Agreement, SCorp amalgamated with Newco to form a combined entity (“Amalco”) and Boomerang issued 70,000,000 common shares in the capital of Boomerang to the holders of common shares in the capital of SCorp on the basis of one share of Boomerang for one share of SCorp held by the SCorp shareholders.

7. ACQUISITION OF OIL AND GAS INTERESTS (Continued)

On January 1, 2014 the SCorp acquired a 50.0% Working Interest and 37.5% corresponding Net Revenue Interest in the North 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field and oil and gas interests, including all related assets, fixtures, equipment, three well heads, three well bores, and pro rata oil & gas revenue and reserves for all depths below the surface to 8500 ft. The field is located in the Permian Basin and the Crawar Field in Ward County, Texas (12 miles west of Monahans & 30 miles west of Odessa in West Texas). Included in the transaction, the Company will also acquire 50.0% Working Interest and 37.5% corresponding Net Revenue Interest in the Highland Production Company No. 2 well-bore located in the South 40 acres of the J.B. Tubb Leasehold Estate/Amoco Crawar field, oil and gas interests, pro rata oil & gas revenues and reserves with depth of ownership 4700 ft. to 4900 ft. As consideration for the transaction the Company agreed to authorize, and issue to Mondial Ventures, Inc. 47,000,000 shares of common stock, for the assets, and assumption of $438,880 in related debt. The acquired leases and the property to which they relate are identified below:

North 40 acres: J.B. TUBB "18-1", being the W1/2 of the NW1/4 of Section 18, Block B-20, Public School Lands, Ward County, Texas, containing Forty (North 40) acres only.

Well-bore located on South 40 acres: The Highland Production Company (Crawar) #2 well-bore, API No. 42-475-33611, located on the J.B. Tubb Lease in W ½ of the NW ¼ of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

The following wells are located on the leases identified, above:

1. Crawar #1
2. Tubb #18-1
3. Highland Production Company(Crawar) #2 well-bore only, with depth of ownership 4700' to 4900'ft. in well bore, described as: The Highland Production Company (Crawar) #2 well-bore, API No. 42-475-33611, located on the J.B. Tubb Lease in W ½ of the NW ¼ of Sec. 18, Block B-20, Public School Lands, Ward County, Texas at 1787 FNL and 853 FWL being on the South Forty (40) acres of the J. B. Tubb Lease, Ward County, Texas.

7. ACQUISITION OF OIL AND GAS INTERESTS (Continued)

Listing for the Equipment items related to the wells on the leases on the J.B. Tubb Leasehold Estate (RRC #33611) Amoco/ Crawar field are as follows:

The following is the current & present equipment list that the Company will acquire 50.0% ownership rights, on the J.B. Tubb property: 2 (Two) 500 barrels metal tanks, 1(One) 500 barrel cement salt water tank- (open top), 1 (One) heater treater/oil & gas separator, all flow lines, on the north forty acres, well-heads, 2 (two) Christmas tree valve systems on well-heads, 3 (Three) well heads, three wells (well-bores). Model 320D Pumpjack Serial No. E98371M/456604, One (1) Fiberglass lined heater-treater, One (1) Test pot, Tubing string Rods and down hole pump.

Additionally, pursuant the Company has acquired the full assignment and transfer of Mondial Ventures, Inc. interests in:

(1) Participation Agreement with Success Oil Co., Inc. for turnkey drilling, re-entry, and multiple wells, with all extensions and amendments located therein; and

(2) Definitive Short Form Agreement with Energy Producers, Inc., a wholly owned subsidiary of EGPI Fire Creek, Inc. and CUBO Energy, PLC for the evaluation and potential acquisition for up to 100% oil and gas working interests in Callahan, Stephens, and Shakelford Counties, Texas.

Under the terms of the Participation agreement, the Company shall acquire the option to provide $1.6 million on a best efforts basis for Capital Expenditures (CAPEX) development fund for drilling an Ellenburger Well on the South 40 acreage to 8,300' foot depth on a turnkey basis with Success Oil as the Operator and Co-Owner, through completion of the well to the tanks. Accordingly, the Company will receive 75% Working Interests and a corresponding 56.5% Net Revenue Interests until payout, and thereafter upon payout will receive 50% Working Interest and a corresponding 37.5 Net Revenue Interest. Additionally, under the terms of the Definitive Short Form Agreement, Shale shall acquire 50% working interests and corresponding 32% net revenue interest in oil and gas leases representing an aggregate total of 240 acre leases, reserves, three wells, and equipment located in Callahan, Stephens, and Shakelford Counties, West Central Texas.

8. RELATED PARTY TRANSACTIONS

Through March 31, 2014 the CEO of the Company has provided office space for the Company's Paradise Valley Arizona office free of charge.

9. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the identification and evaluation of potential acquisitions. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

10. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, accounts payable and accrued liabilities. Cash is stated at fair value and classified within Level 1 of the fair value hierarchy. The fair values of accounts payable and accrued liabilities approximate their carrying values due to their short-term nature of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Strategic and operational risks are risks that arise if the Company fails to discover mineralization and the economic viability of developing the mineral properties acquired and/or to raise sufficient equity and/or debt financing in financing the exploration and development. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

10. FINANCIAL INSTRUMENTS (continued)

The Company's credit risk was primarily attributable to bank balances and HST receivable. The Company limits its credit exposure on cash held in bank accounts firstly by holding its key transactional bank accounts with banks of international financial institutions. HST receivable is due from Canadian Government and management believes that the credit risk to be minimal.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2013, the Company had cash balance of $164 and current liabilities of $16,615. All of the Company's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company short term and long term cash requirement.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accrued liabilities are denominated in

Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

11. SEGMENTED INFORMATION

During the 6 month period ended March 31, 2014, the Company had one reportable operating segment, being the acquisition, exploration, and development of oil and gas interests in oil and gas properties located in one geographical segment, being the United States of America.

12. SUBSEQUENT EVENT

On April 2, 2014 the Company received approval to have its shares listed on the CSE exchange in Canada. The common shares of the Company are listed under the trading symbol BOI.