

ZTR ACQUISITION CORP.

(formerly Oyster Oil and Gas Ltd.)

Unaudited Interim Condensed Financial Statements

For the nine months ended September 30, 2020

(Expressed in Canadian dollars - unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these interim condensed financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by the entity's auditor.

ZTR ACQUISITION CORP.

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Interim Condensed Statements of Financial Position

(Expressed in Canadian dollars)

	September 30, 2020 (unaudited)	December 31, 2019
Assets		
Current assets:		
Cash	\$ 363,810	\$ 581
Receivables	5,316	10,048
	369,126	10,629
Non-current assets:		
Restricted cash	129,282	128,340
Total assets	\$ 498,408	\$ 138,969
Liabilities and Shareholders' Deficiency		
Current liabilities:		
Accounts payable and accrued liabilities (notes 5)	\$ 204,529	\$ 556,470
Notes payable (notes 3)	12,775	169,847
	217,304	726,317
Shareholders' deficiency		
Share capital (note 4)	28,246,926	27,246,926
Share-based payment reserve (note 4)	5,394,772	5,394,772
Deficit	(33,360,594)	(33,229,046)
	281,104	(587,348)
Total liabilities and shareholders' deficiency	\$ 498,408	\$ 138,969

Nature of operations and going concern (note 1)

Approved on behalf of the Board of Directors:

"Gavin Cooper"

"Martin Bajic"

See accompanying notes to the interim condensed financial statements

ZTR ACQUISITION CORP.

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Condensed Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(Expressed in Canadian dollars - unaudited)

	Three months ended September 30, 2020	Three months ended September 30, 2019	Nine months ended September 30, 2020	Nine months ended September 30, 2019
Operating Expenses:				
Corporate office (note 5)	\$ -	\$ -	\$ -	\$ 195,363
Transfer agent and filing fees	9,306	1,250	24,802	13,813
Professional fees	11,254	1,500	29,979	45,910
Insurance	-	9,550	7,851	13,330
Consulting (note 5)	20,000	41,000	57,500	83,000
General and administrative (note 5)	267	5,587	1,497	9,868
	(40,827)	(58,887)	(121,629)	(361,284)
Other Items:				
Write-off of equipment	-	-	-	(10,196)
Interest and accretion expense	(226)	(3,285)	(7,939)	(62,069)
Gain (loss) on foreign exchange	(2,699)	497	(1,980)	(10,684)
Gain on disposition of exploration assets	-	-	-	279,450
	(2,925)	(2,788)	(9,919)	196,501
Net loss and comprehensive loss	\$ (43,752)	\$ (61,675)	\$ (131,548)	\$ (164,783)
Loss per share – basic and diluted	\$ (0.00)	\$ (0.01)	\$ (0.01)	\$ (0.02)
Weighted average number of shares outstanding – basic and diluted	28,574,330	8,574,330	16,603,527	8,574,330

See accompanying notes to the condensed interim financial statements

ZTR ACQUISITION CORP.

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Condensed Interim Statement of Changes in Shareholders' Equity (Deficiency)

(Expressed in Canadian dollars - unaudited)

	Share capital		Share-based payment reserve	Deficit	Total
	Number of shares	Amount			
Balance at December 31, 2018	8,754,330	\$ 27,246,926	\$ 5,394,772	\$ (33,025,869)	\$ (384,171)
Comprehensive loss:					
Net loss	-	-	-	(164,783)	(164,783)
Balance at September 30, 2019	8,754,330	\$ 27,246,926	\$ 5,394,772	\$ (33,190,652)	\$ (548,954)
Balance at December 31, 2019	8,754,330	\$ 27,246,926	\$ 5,394,772	\$ (33,229,046)	\$ (587,348)
Shares issued for cash	20,000,000	1,000,000	-	-	1,000,000
Comprehensive loss:					
Net loss	-	-	-	(131,548)	(131,548)
Balance at September 30, 2020	28,754,330	\$ 28,246,926	\$ 5,394,772	\$ (33,360,594)	\$ 281,104

See accompanying notes to the interim condensed financial statements

ZTR ACQUISITION CORP.

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Interim Condensed Statements of Cash Flows

(Expressed in Canadian dollars - unaudited)

	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Operating activities		
Net loss	\$ (131,548)	\$ (164,783)
Items not involving cash		
Interest and accretion expense on convertible debt	-	58,784
Foreign Exchange	(942)	-
Gain on disposition of exploration assets	-	(279,450)
Write-off of equipment	-	10,196
Changes in non-cash working capital		
Receivables	4,732	(2,065)
Accounts payable and accrued liabilities	(351,941)	261,475
Net cash used in operating activities	(479,699)	(115,843)
Financing activities		
Proceeds from private placement	1,000,000	-
Proceeds from (repayment of) of notes payable	(157,072)	95,125
Net cash provided by financing activities	842,928	95,125
Increase (decrease) in cash	363,229	(20,718)
Cash, beginning of period	581	24,667
Cash, ending of period	\$ 363,810	\$ 3,949

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Notes to the Interim Condensed Financial Statements

(Expressed in Canadian - unaudited)

For the Nine Months Ended September 30, 2020

1. Nature of Operations and Going Concern

ZTR Acquisition Corp. (formerly Oyster Oil and Gas Ltd.) (the "Company") is currently exploring business opportunities in different markets. The Company's shares are traded on the TSX Venture Exchange (the "Exchange") under the symbol "ZTR". The head office and the registered and records office of the Company are located at Suite 918 – 1030 West Georgia Street, Vancouver, BC, V6E 2Y3.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. During the nine months ended September 30, 2020, the Company incurred a comprehensive loss of \$131,548 and, as of that date, the Company had a working capital of \$151,822. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds there from and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and or private placement of common shares. Should the Company be unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

2. Significant accounting policies

These financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these financial statements should be read in conjunction with the Company's December 31, 2019 audited annual consolidated financial statements and the notes to such financial statements.

These financial statements are based on the IFRS issued and effective as of November 30, 2020, the date these financial statements were authorized for issuance by the Company's Board of Directors, and follow the same accounting policies and methods of computation as the most recent annual financial statements, except for the impact of the changes in accounting policies disclosed below:

(a) New accounting standard and interpretation

The Company has adopted the following new accounting standard and interpretation:

IFRS 16, Leases (effective January 1, 2019) introduced new requirements for the classification and measurement of leases. Under IFRS 16, a lessee no longer classifies leases as operating or financing and records all leases on the condensed statement of financial position, unless the lease term is 12 months or less or the underlying asset has a low value. The Company has applied a modified retrospective transition approach. The Company does not have any leases, and as a result, this standard had no impact on the Company's financial statements on adoption.

IFRIC 23, Uncertainty over Income Tax Treatments (effective January 1, 2019) provides guidance when there is uncertainty over income tax treatments including, but not limited to, whether uncertain tax treatments should be considered separately; assumptions made about the examination of tax treatments by tax authorities; the determination of taxable profit, tax bases, unused tax losses, unused tax credits, and tax rates; and, the impact of changes in facts and circumstances. This interpretation did not have an impact on the Company's financial statements.

The Company has not applied the following amendment that has been issued but is not yet effective:

Amendments to IFRS 3, Business Combinations (effective January 1, 2020) assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits. The Company has not elected to apply this amendment early.

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Notes to the Interim Condensed Financial Statements

(Expressed in Canadian - unaudited)

For the Nine Months Ended September 30, 2020

3. Notes payable

During the nine months ended September 30, 2020, the Company repaid cumulative notes payable of \$157,072.

4. Share Capital

(a) Authorized

Unlimited class A common shares, without par value.

(b) Issued

At September 30, 2020, there were 28,754,330 common shares issued and fully paid common shares outstanding (December 31, 2019 – 8,754,330).

On June 12, 2020, the Company completed a 1 new for 5 old consolidation of its common shares. All references to outstanding shares have been adjusted retroactively.

On June 12, 2020, the Company completed a private placement whereby it issued 20,000,000 common shares at \$0.05 for proceeds of \$1,000,000.

(c) Options

A summary of the status of the Company's stock options outstanding is presented below:

	Number of Options	Weighted average exercise price
Balance, December 31, 2018	440,000	\$ 1.00
Expired	(40,000)	2.10
Balance, December 31, 2019	400,000	0.85
Cancelled	(315,000)	0.80
Balance, September 30, 2020	85,000	1.10
Weighted average remaining contractual life		0.93 Years

As at September 30, 2020, the following options were outstanding:

Expiry date	Options outstanding and exercisable	
	Exercise price	Options
May 20, 2021	\$ 0.70	65,000
August 14, 2022	\$ 2.45	20,000
		85,000

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For the Nine Months Ended September 30, 2020

5. Related Party Transactions

(a) Key management compensation

Compensation of key management for the nine months ended September 30, 2020 and 2019 are as follows:

	Three Months Ended September 30, 2020	Three Months Ended September 30, 2019	Nine Months Ended September 30, 2020	Nine Months Ended September 30, 2019
Management fees:				
Included in property investigation, corporate office and general and administrative expense	\$ -	\$ -	\$ -	\$ 21,417
Consulting fees	5,000	-	12,500	-

(b) Related party balances

Included in accounts payables is \$13,125 (December 31, 2019 - \$8,285) owing to members of the Company's key management and directors. These amounts are unsecured, non-interest bearing and has no fixed terms of repayment.

6. Business Combination

On September 28, 2020, the Company signed a definitive agreement with Federal Gold Corp. ("Federal") to acquire all the issued and outstanding shares of Federal. The Company anticipates issuing 35,187,000 common shares (the "Consideration Shares") to complete the acquisition of all of the currently outstanding securities of Federal. Certain of the Consideration Shares will be subject to escrow pursuant to the policies of the TSX Venture Exchange, in addition to pooling restrictions that may be negotiated by the parties. In connection with completion of the Business Combination, it is anticipated that ZTR will change its name to "Angold Resources Ltd." and will change its ticker symbol to "AAU". As of the date of these financial statements, the transaction has not yet closed.