KISMET RESOURCES CORP.

Condensed Interim Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

For the nine months ended September 30, 2020 and 2019

Kismet Resources Corp.

(the “Company” or “Kismet”)

CONDENSED INTERIM FINANCIAL STATEMENTS
For the nine months ended September 30, 2020 and 2019

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Management of Kismet Resources Corp. is responsible for the preparation of the accompanying unaudited condensed interim financial statements. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of interim financial statements and are in accordance with IAS 34 – Interim Financial Reporting.

The Company’s auditor has not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity’s auditor.

KISMET RESOURCES CORP.
Condensed Interim Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
As at

		September 30, 2020		December 31, 2019
Assets				
Current Assets				
Cash	$	**109,384**	$	145,669
Accounts receivable		**2,147**		-
Total Assets	$	**111,531**	$	145,669
Liabilities and Shareholders' Equity				
Current Liabilities				
Accounts payable and accrued liabilities	$	**17,981**	$	8,224
Shareholders' Equity				
Share capital (Note 4)		**247,879**		247,879
Reserves		**42,400**		42,400
Deficit		**(196,729)**		(152,834)
		93,550		137,445
Total Liabilities and Shareholders' Equity	$	**111,531**	$	145,669

Nature and continuance of operations (Note 1)
Proposed qualifying transaction (Note 9)

Approved on Behalf of the Board on November 30, 2020:

"Evandra Nakano"
Director

"Shervin Teymouri"
Director

The accompanying notes are an integral part of these Condensed Interim Financial statements.

KISMET RESOURCES CORP.
Condensed Interim Statements of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the three months ended September 30, **2020**	2019	For the nine months ended September 30, **2020**	2019
Expenses				
General & administrative	**$ 25**	$ 22	**$ 959**	$ 638
Management fees	**3,000**	3,000	**9,000**	9,000
Professional fees	**22,373**	3,009	**22,451**	13,939
Transfer agent and filing fees	**1,796**	1,547	**11,485**	11,415
Total operating expenses	**(27,194)**	(7,578)	**(43,895)**	(34,992)
Loss and comprehensive loss for the period	**(27,194)**	(7,578)	**(43,895)**	(34,992)
Weighted average number of common shares outstanding (basic and diluted)	**2,000,000**	2,000,000	**2,000,000**	2,000,000
Basic and diluted loss per share	**$ (0.01)**	$ (0.00)	**$ (0.02)**	$ (0.02)

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

KISMET RESOURCES CORP.
Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Share Capital				
	Number	**Amount**	**Reserves**	**Deficit**	**Total Shareholders' Equity**
Balance, December 31, 2018	**4,000,000**	**$ 247,879**	**$ 42,400**	**$ (108,406)**	**$ 181,873**
Loss for the period	-	-	-	(34,992)	(34,992)
Balance, September 30, 2019	**4,000,000**	**$ 247,879**	**$ 42,400**	**$ (143,398)**	**$ 146,881**

Balance, December 31, 2019	**4,000,000**	**$ 247,879**	**$ 42,400**	**$ (152,834)**	**$ 137,445**
Loss for the period	-	-	-	(43,895)	(43,895)
Balance, September 30, 2020	**4,000,000**	**$ 247,879**	**$ 42,400**	**$ (196,729)**	**$ 93,550**

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

KISMET RESOURCES CORP.
Condensed Interim Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	For the nine months ended September 30, 2020	For the nine months ended September 30, 2019
Operating Activities:		
Loss for the period	**$ (43,895)**	$ (34,992)
Net change in non-cash working capital items:		
Accounts payable and accrued liabilities	**9,757**	(7,676)
Accounts receivable	**(2,147)**	(684)
Prepaid expenses	**-**	2,625
Net cash used in operating activities	**(36,285)**	(40,727)
Change in cash for the period	**(36,285)**	(40,727)
Cash, beginning of the period	**145,669**	193,809
Cash, end of the period	**$ 109,384**	$ 153,082
Supplemental disclosure of cash flow information:		
Cash paid during the period for:		
Interest paid	**$ -**	$ -
Income taxes	**$ -**	$ -

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Kismet Resources Corp. ("Kismet" or the "Company") is classified as a Capital Pool Company ("CPC") as defined in the TSX Venture Exchange (the "Exchange" or "TSX-V") Policy 2.4. The Company was incorporated as a private company by Certificate of Incorporation issued pursuant to the provisions of the British Columbia Business Corporations Act on March 14, 2018. The Company's head office is located at 460 – 688 West Hasting Street, Vancouver, British Columbia, V6B 1P1, and its registered and records office address is at 2200 - 885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3E8.

Since incorporation on March 14, 2018, the Company has had no active business operations. As a CPC, the Company's business objective is to identify and evaluate assets or businesses with a view to potential acquisition or participation by completing a Qualifying Transaction ("QT"), as defined in Exchange Policy 2.4, subject, in certain cases, to shareholder approval and acceptance by the TSX-V. The Company has an accumulated deficit of $196,729 as at September 30, 2020. The Company currently has sufficient liquidity to meet its operational requirements for the next fiscal year. However, the Company's continued operations are dependent upon its ability to identify, evaluate and successfully negotiate an agreement to acquire an interest in a sustainable/viable business operation. There is no assurance that the Company will identify a business or asset that warrants acquisition or participation, and/or will be able to obtain the financing necessary to support a new business acquisition. All of the preceding indicates the existence of a material uncertainty that may cast substantial doubt about the Company's ability to continue as a going concern. These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying condensed interim financial statements.

On September 19, 2018, the Company completed its initial public offering ("IPO"), whereby it issued 2,000,000 common shares at $0.10 per common share for total proceeds of $200,000 pursuant to a prospectus dated July 25, 2018. See Note 4 for details of this transaction.

On June 6, 2019 the Company entered into a letter of intent with Diitalk Communications Inc. ("Diitalk"), a private BC company, pursuant to which the Company proposed to complete a business combination with Diitalk. On August 16, 2019, the Company announced that it would not be proceeding with the transaction with Diitalk or the related concurrent financing, and the letter of intent was terminated in accordance with its terms.

On September 28, 2020, the Company entered into an amalgamation agreement with TDG Gold Corp. ("**TDG Gold**") and 1266834 B.C. Ltd., a wholly-owned subsidiary of the Company incorporated for the sole purpose of the Transaction, (the "**Amalgamation Agreement**") pursuant to which the Company proposes to acquire all of the issued and outstanding securities of TDG by way of a three-corner amalgamation (the "**Transaction**"), which if completed will constitute the Company's QT. See Proposed Qualifying Transaction, note 9.

1. NATURE AND CONTINUANCE OF OPERATIONS (continued)

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

2. BASIS OF PREPARATION

Statement of Compliance

The condensed interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting. Accordingly, these condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the most recent audited annual financial statements of the Company as at and for the year ended December 31, 2019. The Board of Directors authorized these condensed interim financial statements for issue on November 30, 2020.

The accounting policies applied in these condensed interim financial statements are the same as those applied in the Company's most recent audited annual financial statements as at and for the year ended December 31, 2019.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Measurement

These condensed interim financial statements have been prepared on the historical cost basis except for financial instruments measured at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Critical Accounting Estimates, Judgments and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. Estimates and associated assumptions applied in determining asset or liability values are based on historical experience and various other factors including other sources that are believed to be reasonable under the circumstances but are not necessarily readily apparent or recognizable at the time such estimate or assumption is made. Actual results may differ from these estimates.

Estimates and underlying assumptions used in determining asset and liability values are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The information about significant areas of estimation uncertainty considered by management in preparing the condensed interim financial statements is as follows:

(i) Deferred tax assets and liabilities

The measurement of deferred income tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful operations of the Company. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred tax provisions or recoveries could be affected.

(ii) Valuation of share-based payments and compensatory warrants

Management uses the Black-Scholes model to determine the fair value of stock options granted to officers and directors, and the fair value of compensatory warrants. This model requires assumptions of the expected future price volatility of the Company's common shares, expected life of options and warrants, future risk-free interest rates, and the dividend yield of the Company's common shares.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Critical Accounting Estimates, Judgments and Assumptions (continued)

The information about significant areas of judgment considered by management in preparing the condensed interim financial statements is as follows:

(i) Going concern

The assessment of the Company's ability to continue as a going concern as discussed in Note 1 involves judgment regarding future funding available for its operations and working capital requirements.

4. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

On March 14, 2018, the Company issued one incorporator's share for $1. The incorporator's share was cancelled during the period from incorporation on March 14, 2018 to June 30, 2018.

On April 4, 2018, the Company issued 2,000,000 common shares at $0.05 per common share, for total proceeds of $100,000. These common shares are held in escrow and will be released pro-rata to the shareholders as to 10% of the escrow shares upon issuance of notice of final acceptance of a QT by the TSX-V and as to the remainder in six equal tranches of 15% every six months thereafter for a period of 36 months.

All the escrow shares are considered contingently returnable until the Company completes a QT and accordingly, they are not considered to be outstanding shares for the purposes of the loss per share calculations.

On September 19, 2018, the Company completed an IPO of 2,000,000 common shares at a price of $0.10 per share for gross proceeds of $200,000. The Company paid a cash commission of $20,000 and a corporate finance fee of $10,000 and granted to the agent warrants to acquire 200,000 common shares at a price of $0.10 per common share until September 19, 2020.

As at December 31, 2019 and September 30, 2020, the Company had 4,000,000 common shares issued and outstanding.

As at December 31, 2019 and September 30, 2020, 2,000,000 common shares were held in escrow.

(Expressed in Canadian dollars)

4. SHARE CAPITAL (continued)

(c) Stock options

The Company has adopted a stock option plan (the "Stock Option Plan") whereby it can grant incentive stock options to directors, officers, employees and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company on closing of IPO. The number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by any individual may not exceed 5% of the issued common shares. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares. All options granted under the Stock Options Plan will expire not later than the date that is ten years from the date that such options are granted.

A summary of the Company's stock option activity is as follows:

	Number of Options	Weighted Average Exercise Price
Balance, December 31, 2019 and September 30, 2020	**400,000**	**$ 0.10**

As at September 30, 2020, outstanding and exercisable options were as follows:

Grant Date	Number of Options Outstanding and Exercisable	Exercise Price	Expiry Date	Remaining Contractual Life (years)
September 19, 2018	400,000	$0.10	September 19, 2023	2.97
Total	**400,000**	**$0.10**		**2.97**

(d) Agent's warrants

A summary of the Company's agent warrants activity is as follows:

	Number of warrants	Weighted average exercise price
Balance as at December 31, 2019	**200,000**	**$ 0.10**
Expired	(200,000)	$(0.10)
Balance as at September 30, 2020	**-**	**-**

5. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the period ended September 30, 2020, was based on the net loss and comprehensive loss attributable to common shareholders of $43,895 and the weighted average number of common shares outstanding of 2,000,000.

The 2,000,000 shares held in escrow are considered contingently returnable until the Company completes a QT. These shares are not considered to be outstanding shares for the purposes of the loss per share calculations.

6. CAPITAL MANAGEMENT

The Company defines capital as consisting of shareholders' equity (comprised of issued share capital, reserves, and deficit). The Company's objectives when managing capital are to support the identification and acquisition of a new business opportunity (see Note 9) and thus the creation of shareholder value as well as to ensure that the Company is able to meet its financial obligations as they become due.

The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital, but rather relies on the expertise of the Company's management to sustain the future development of the business. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. As at September 30, 2020, the Company does not have any long-term debt outstanding and is not subject to any externally imposed capital requirements or debt covenants. There was no change to the Company's approach to capital management during the period ended September 30, 2020.

The proceeds raised from the issuance of common shares may only be used to identify and evaluate assets or businesses for future investment, with the exception that no more than the lesser of 30% of the gross proceeds from the issuance of common shares or $210,000 may be used to cover prescribed costs of issuing the common shares or administrative and general expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the Exchange Policy 2.4.

7. RELATED PARTY TRANSACTIONS

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

7. RELATED PARTY TRANSACTIONS (continued)

A transaction is considered to be a related party transaction when there is a transfer of resources on obligations between related parties. There were no such related party transactions during the year ended December 31, 2019, and for the period ended September 30, 2020.

8. FINANCIAL INSTRUMENTS

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Cash is carried at amortized cost. Accounts receivable and accounts payable and accrued liabilities are classified as amortized cost. The fair values of these financial instruments approximate their carrying values because of their short-term nature and/or the existence of market related interest rates on the instruments.

Fair value of financial instruments

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes. The type of risk exposure and the way in way in which such exposure in managed is provided as follows:

Credit risk
Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash.

The Company limits the exposure to credit risk by only investing its cash with high-credit quality institutions. Management believes that the credit risk related to its cash is negligible.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure and financial leverage as described in Note 6.

8. FINANCIAL INSTRUMENTS (continued)

Fair value of financial instruments (continued)

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its positive working capital position.

Foreign exchange risk
Currency risk is the risk that the fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates. As at September 30, 2020, the Company's cash, accounts payable and accrued liabilities are denominated in Canadian dollars. As such, the Company is not subject to any foreign exchange risk.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to a floating rate of interest. The interest rate risk on cash is not considered significant.

Price risk
The Company has no exposure to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market.

9. PROPOSED QUALIFYING TRANSACTION

The Company entered into an amalgamation agreement with TDG Gold Corp. ("**TDG**") and 1266834 B.C. Ltd. ("**Subco**"), a wholly-owned subsidiary of Kismet incorporated for the sole purpose of the Transaction, dated September 28, 2020 (the "**Amalgamation Agreement**") pursuant to which the Company proposes to acquire all of the issued and outstanding securities of TDG by way of a three-corner amalgamation (the "**Transaction**"), which if completed will constitute the Company's QT.

TDG is a mineral exploration company with binding agreements to acquire four properties in the Toodoggone District of northeastern British Columbia, Canada including the former producing high grade Au-Ag Baker and Shasta Mines and the Oxide Peak exploration stage property. TDG was incorporated pursuant to the Business Corporations Act (British Columbia) on July 22, 2011. TDG currently has 75,734,904 common shares issued and outstanding and has no options, warrants or other classes of securities outstanding.

9. PROPOSED QUALIFYING TRANSACTION (continued)

Transaction Particulars

Under the terms of the Amalgamation Agreement, TDG will amalgamate with Subco, and the Company will acquire all of the outstanding common shares of TDG in exchange for post–consolidation common shares of the Company (the "**Resulting Issuer Shares**") on the basis of one Resulting Issuer Share for every three common shares of TDG (the "**Share Exchange Ratio**"). Outstanding convertible securities of TDG, if any are outstanding at closing of the Transaction, will be exchanged for convertible securities of the Company, with the number of Resulting Issuer Shares issuable and the exercise price of such convertible securities to be adjusted based on the Share Exchange Ratio. The deemed price of the Transaction is $0.30.

It is anticipated that the Company will change its name to TDG Gold Corp. upon the completion of the Transaction (the "**Resulting Issuer**").

The name of the amalgamated entity will be either "**TDG Assets BC Corp.**" or "**TDG BC Assets Corp.**", and it will continue to subsist under the Business Corporations Act (British Columbia).

Completion of the Transaction is subject to certain conditions precedent, including, but not limited to, the following: the Company shall have completed a 2:1 share consolidation (the "**Consolidation**"); the name of the Company shall have been changed to "TDG Gold Corp.", or such other name as is agreed to by the Company and TDG (the "**Name Change**"); the acceptance of the TSXV of the Transaction; TDG shall have completed the Concurrent Financing; receipt by TDG of a written resignation effective as at the time of the closing of the Transaction from each of the current directors and officers of the Company who will not be serving as directors or officers of the Resulting Issuer; the Company shall have cash of at least $25,000 net of all liabilities, including payables accrued in connection with the completion of the Transaction; and dissenting shareholders of TDG shall not have validly exercised dissent rights in respect of more than 5% of the outstanding common shares of TDG.

It is anticipated that the Resulting Issuer will qualify as a Tier 2 Mining Issuer pursuant to the requirements of the TSXV.

9. PROPOSED QUALIFYING TRANSACTION (continued)

Financing Particulars

Prior to or concurrently with completion of the Transaction, TDG intends to complete a non-brokered private placement equity financing to raise gross proceeds of a minimum of $4,000,000 and a maximum of up to $5,000,000 through the issuance, on a private placement basis, of up to 6,666,666 non-flow through units (each, a "**Non-Flow Through Unit**") at a price of $0.30 per Non-Flow Through Unit and up to 7,058,823 flow-through units (each, a "**Flow Through Unit**") at a price of $0.425 per Flow Through Unit (the "**Concurrent Financing**"). Each Non-Flow Through Unit will consist of common shares and common share purchase warrants of TDG that, when exchanged for securities of the Company, shall comprise one Resulting Issuer Share and one-half of one Resulting Issuer Share purchase warrant (each whole warrant, a "**Resulting Issuer Warrant**"). Each Flow Through Unit will consist of common shares and common share purchase warrants of TDG that, when exchanged for securities of the Company, shall comprise one Resulting Issuer Share, that will qualify as a "flow-through share" under the Income Tax Act and one-half of one Resulting Issuer Warrant. Each whole Resulting Issuer Warrant will be exercisable by the holder thereof to acquire one Resulting Issuer Share at an exercise price of $0.45 for a period of three years from issuance.

There can be no assurance that the Transaction will be completed as proposed or at all.