



**(An Exploration Stage Company)**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED MARCH 31, 2017**

**(Expressed in Canadian Dollars)**

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of  
Logan Resources Ltd.

We have audited the accompanying consolidated financial statements of Logan Resources Ltd., which comprise the consolidated statements of financial position as at March 31, 2017 and 2016 and the consolidated statements of loss and comprehensive loss, cash flows, and changes in equity (deficiency) for the years then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Logan Resources Ltd. as at March 31, 2017 and 2016 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

***Emphasis of Matter***

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Logan Resources Ltd.'s ability to continue as a going concern.

**“DAVIDSON & COMPANY LLP”**

Vancouver, Canada

Chartered Professional Accountants

July 20, 2017

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)  
AS AT

	March 31, 2017	March 31, 2016
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 740,562	\$ 163,224
Marketable securities (Note 4)	8,077	3,980
Amounts receivable	8,990	1,774
Prepaid expenses (Note 5)	188,264	6,728
	<u>945,893</u>	<u>175,706</u>
<b>DEPOSIT (Note 6)</b>	11,500	11,500
<b>EXPLORATION AND EVALUATION ASSETS (Note 7)</b>	540,749	-
<b>RECLAMATION BOND (Note 7)</b>	23,496	-
	<u>575,745</u>	<u>11,500</u>
	<u>\$ 1,521,638</u>	<u>\$ 187,206</u>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 69,304	\$ 122,320
Due to related parties (Note 9)	453,653	12,683
	<u>522,957</u>	<u>135,003</u>
<b>DUE TO RELATED PARTY (Note 9)</b>	-	508,954
<b>EQUITY (DEFICIENCY)</b>		
Capital stock (Note 8)	18,677,052	15,914,457
Other equity reserves (Note 8)	1,604,881	1,443,133
Accumulated other comprehensive income	21,561	-
Deficit	(19,304,813)	(17,814,341)
	<u>998,681</u>	<u>(456,751)</u>
	<u>\$ 1,521,638</u>	<u>\$ 187,206</u>

Nature of operations and going concern (Note 1)

Subsequent event (Note 15)

Approved on July 20, 2017 on behalf of the Board of Directors:

Signed: "Stewart Wallis"

Signed: "Richard Grayston"

The accompanying notes are an integral part of these consolidated financial statements.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)

	Years Ended March 31,	
	2017	2016
<b>OPERATING ITEMS</b>		
Business development	\$ 188,137	\$ 22,270
Director fees (Note 9)	4,000	4,000
Exploration and evaluation (Note 7)	806,629	-
Office, rent and administration	48,116	32,987
Professional fees	25,055	18,819
Share-based payments (Note 8)	161,748	-
Transfer agent and filing fees	29,403	29,851
Travel	14,014	-
Wages and salaries (Note 9)	218,701	37,032
Finance income	(3,558)	(87)
Foreign exchange gain	(12,676)	(97)
Loss on settlement of debt (Note 8)	15,000	-
Impairment of exploration and evaluation assets (Note 7)	-	28,673
Unrealized gain on marketable securities (Note 4)	(4,097)	(2,840)
<b>LOSS FOR THE YEAR</b>	<b>(1,490,472)</b>	<b>(170,608)</b>
Translation adjustment	21,561	-
<b>COMPREHENSIVE LOSS FOR THE YEAR</b>	<b>\$ (1,468,911)</b>	<b>\$ (170,608)</b>
<b>LOSS PER SHARE</b>		
Basic and diluted	\$ (0.04)	\$ (0.01)
<b>WEIGHTED AVERAGE SHARES OUTSTANDING</b>		
Basic and diluted	<b>33,176,040</b>	<b>15,104,213</b>

The accompanying notes are an integral part of these consolidated financial statements.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)

	Years Ended March 31,	
	2017	2016
<b>Operating activities:</b>		
Loss for the year	\$ (1,490,472)	\$ (170,608)
Items not affecting cash:		
Impairment of exploration and evaluation assets	-	28,673
Loss on settlement of debt	15,000	-
Share-based payments	161,748	-
Unrealized gain on marketable securities	(4,097)	(2,840)
Net change in non-cash working capital items:		
Amounts receivable	(7,216)	(607)
Prepaid expenses	(181,536)	14
Accounts payable and accrued liabilities	13,677	(20,197)
Due to related parties	(67,984)	75,597
Cash used in operating activities	<u>(1,560,880)</u>	<u>(89,968)</u>
<b>Investing activities:</b>		
Purchase of reclamation bond	(23,255)	-
Reclamation of exploration and evaluation assets	-	(84,673)
Cash used in investing activities	<u>(23,255)</u>	<u>(84,673)</u>
<b>Financing activities:</b>		
Issuance of common shares	2,200,000	-
Share issue costs	(38,974)	-
Cash provided by financing activities	<u>2,161,026</u>	<u>-</u>
<b>Net change in cash and cash equivalents during the year</b>	<b>576,891</b>	<b>(174,641)</b>
<b>Effect of foreign exchange on cash and cash equivalents</b>	<b>447</b>	<b>-</b>
<b>Cash and cash equivalents, beginning of the year</b>	<b>163,224</b>	<b>337,865</b>
<b>Cash and cash equivalents, end of the year</b>	<b>\$ 740,562</b>	<b>\$ 163,224</b>
<b>Cash and cash equivalents consist of:</b>		
Cash	\$ 257,335	\$ 163,224
Liquid short term investments	483,227	-
	<u>\$ 740,562</u>	<u>\$ 163,224</u>
<b>Cash received (paid) for:</b>		
Interest	\$ 1,615	\$ -
Taxes	\$ -	\$ -

Supplemental disclosure with respect to cash flows (Note 12)

The accompanying notes are an integral part of these consolidated financial statements.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (DEFICIENCY)**  
**FOR THE YEARS ENDED MARCH 31, 2017 AND 2016**  
(Expressed in Canadian Dollars)

	CAPITAL STOCK		OTHER EQUITY RESERVES	ACCUMULATED OTHER COMPREHENSIVE INCOME	DEFICIT	TOTAL
	NUMBER	AMOUNT				
<b>Balance, March 31, 2015</b>	<b>15,104,213</b>	<b>\$ 15,914,457</b>	<b>\$ 1,443,133</b>	<b>\$ -</b>	<b>\$ (17,643,733)</b>	<b>\$ (286,143)</b>
Loss for the year	-	-	-	-	(170,608)	(170,608)
<b>Balance, March 31, 2016</b>	<b>15,104,213</b>	<b>15,914,457</b>	<b>1,443,133</b>	<b>-</b>	<b>(17,814,341)</b>	<b>(456,751)</b>
Private placement (Note 8)	22,000,000	2,200,000	-	-	-	2,200,000
Share issue costs – cash (Note 8)	-	(38,974)	-	-	-	(38,974)
Common shares issued for finders' fees (Note 8)	402,500	-	-	-	-	-
Common shares issued for debt (Note 8)	1,000,000	115,000	-	-	-	115,000
Common shares issued for exploration and evaluation assets (Notes 7 and 8)	4,231,037	486,569	-	-	-	486,569
Share-based payments (Note 8)	-	-	161,748	-	-	161,748
Loss for the year	-	-	-	-	(1,490,472)	(1,490,472)
Translation adjustment	-	-	-	21,561	-	21,561
<b>Balance, March 31, 2017</b>	<b>42,737,750</b>	<b>\$ 18,677,052</b>	<b>\$ 1,604,881</b>	<b>\$ 21,561</b>	<b>\$ (19,304,813)</b>	<b>\$ 998,681</b>

The accompanying notes are an integral part of these consolidated financial statements.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**  
(Expressed in Canadian Dollars)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Logan Resources Ltd. (the “Company”) is an exploration stage company whose shares trade on the TSX Venture Exchange (“TSX-V” or the “Exchange”) and is in the business of acquiring, exploring and evaluating mineral resource interests in North America. There has been no determination whether properties held contain mineral reserves which are economically recoverable. In the ordinary course of business the Company sells or options property interests to third parties, accepting as consideration cash and/or securities of the acquiring party. The address of the Company’s registered and records office is #1240 – 1140 West Pender Street, Vancouver, British Columbia, Canada, V6E 4G1.

To date, the Company has not earned significant revenues, and is considered to be in the exploration stage.

These consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) on the going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future, and do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern. The Company’s ability to continue its operations and to realize assets at their carrying values is dependent upon the continued support of its shareholders, obtaining additional financing, and generating revenues sufficient to cover its operating costs. These factors may cast significant doubt about the Company’s ability to continue as a going concern.

The Company had working capital of \$422,936 as at March 31, 2017, incurred a net loss of \$1,490,472 during the year ended March 31, 2017 and had an accumulated deficit of \$19,304,813 as at March 31, 2017, which has been funded primarily by the issuance of equity. In the next twelve months, the Company will require additional funding to continue exploration activities and for administrative overhead expenditures.

**2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

**Statement of compliance**

These consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards (“IASB”).

**Basis of measurement**

These consolidated financial statements have been prepared on an historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These consolidated financial statements are presented in Canadian dollars, unless otherwise stated.

**Basis of consolidation**

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary, Logan Resources USA, Inc. (“Logan USA”). A wholly owned subsidiary is an entity in which the Company has control, directly or indirectly, where control is defined as the power to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. All intercompany transactions and balances have been eliminated on consolidation.

The functional currency of the Company is the Canadian dollar and the functional currency of Logan USA is the United States dollar.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2017**  
(Expressed in Canadian Dollars)

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**2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE** *(continued)*

**Critical accounting estimates and judgments**

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity (deficiency), income (loss), expenses and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

Critical Judgments

The preparation of these consolidated financial statements requires management to make judgments regarding the going concern of the Company, as previously discussed in Note 1.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting the consolidated financial statements include:

*Deferred tax assets and liabilities*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities 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 and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, development and commercialization of mineral reserves. 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 or liabilities, and deferred income tax provisions or recoveries could be affected.

*Exploration and evaluation assets*

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

*Share-based payments*

Estimating the fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Cash and cash equivalents**

The Company considers all highly liquid instruments that are readily convertible into known amounts of cash to be cash equivalents.

**LOGAN RESOURCES LTD.**  
(An Exploration Stage Company)  
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(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**Exploration and evaluation assets**

Pre-exploration costs are expensed as incurred. Costs to acquire exploration and evaluation assets are capitalized as incurred. Costs related to the exploration and evaluation of exploration and evaluation assets are expensed as incurred. The Company considers mineral rights to be tangible assets and accordingly, the Company capitalizes certain costs related to the acquisition of mineral rights.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost of the exploration and evaluation assets, the excess is recognized as income in the period received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof.

**Impairment**

At each financial position reporting date the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use, which is the present value of future cash flows expected to be derived from the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

**Future reclamation costs**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from decommissioning activities is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

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 the related asset with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed 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 charged to profit or loss for the period. There were no reclamation costs for the years presented.

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**Income taxes**

Income tax expense is comprised of current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income.

Current taxes are recognized for the estimated income taxes payable or receivable on taxable income or loss for the current period and any adjustment to income taxes payable in respect of previous periods. Current taxes are determined using tax rates and tax laws that have been enacted or substantively enacted by the reporting period end date.

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability differs from its tax base, except for taxable temporary differences arising on the initial recognition of goodwill and temporary differences arising on the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss.

Recognition of deferred tax assets for unused tax losses, tax credits and deductible temporary differences is restricted to those instances where it is probable that future taxable profit will be available against which the deferred tax asset can be utilized. At the end of each reporting period the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are presented separately except where there is a right to offset within a fiscal jurisdiction.

**Share-based payments**

The Company grants stock options to buy common shares of the Company to directors, officers, employees and service providers. The Company recognizes share-based payments expense based on the estimated fair value of the options. A fair value measurement is made for each vesting installment within each option grant and is determined using the Black-Scholes option-pricing model. The fair value of the options is recognized over the vesting period of the options granted as both share-based payments expense and other equity reserves. This includes a forfeiture estimate, which is revised for actual forfeitures in subsequent periods. The other equity reserves account is subsequently reduced if the options are exercised and the amount initially recorded is then credited to capital stock.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods or services received.

**Basic and diluted loss per share**

Basic loss per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year. For diluted loss per share computations, assumptions are made regarding potential common shares outstanding during the year. The weighted average number of common shares is increased to include the number of additional common shares that would be outstanding if, at the beginning of the year, or at time of issuance, if later, all options and warrants are exercised. Proceeds from exercise are used to purchase the Company's common shares at their average market price during the year, thereby reducing the weighted average number of common shares outstanding. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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(Expressed in Canadian Dollars)

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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**Financial instruments**

All financial instruments are initially recognized at fair value on the statement of financial position. The Company has classified each financial instrument into one of the following categories: (1) financial assets or liabilities at fair value through profit or loss (“FVTPL”), (2) loans and receivables, (3) financial assets available-for-sale, (4) financial assets held-to-maturity, and (5) other financial liabilities. Subsequent measurement of financial instruments is based on their classification.

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in profit or loss. Financial assets “available-for-sale” are subsequently measured at fair value with changes in fair value recognized in other comprehensive income, net of tax. Financial assets and liabilities “held-to-maturity”, “loans and receivables”, and “other financial liabilities” are subsequently measured at amortized cost using the effective interest method.

The Company has classified its cash and cash equivalents and marketable securities as fair value through profit or loss. The Company’s amounts receivable are classified as loans and receivables. The Company’s accounts payable and accrued liabilities and due to related parties are classified as other financial liabilities. The Company has classified its deposit and reclamation bond as held-to-maturity.

Financial instruments measured at fair value are classified into one of three levels in a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

- 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).

See Note 14 for relevant disclosures.

**Foreign currency**

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency of the Company is the Canadian dollar and the functional currency of Logan USA is the United States dollar.

Accordingly, the accounts of Logan USA are translated into Canadian dollars as follows:

- all of the assets and liabilities are translated at the rate of exchange in effect on the date of the statement of financial position;
- income and expenses are translated at the exchange rate approximating those in effect on the date of the transactions; and
- exchange gains and losses arising from translation are included in accumulated other comprehensive income.

Transactions occurring in currencies other than the functional currency of the entity in question are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities that are denominated in foreign currencies are translated at the rate of exchange at the date of the statement of financial position while non-monetary assets and liabilities are translated at historical rates. Income and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

**LOGAN RESOURCES LTD.**  
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**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** *(continued)*

**Recent accounting pronouncement**

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or the International Financial Reporting Interpretations Committee (“IFRIC”) that are mandatory for accounting periods beginning on or after January 1, 2018. The following standard has not yet been adopted by the Company and is being evaluated to determine its impact:

- a) IFRS 9: New standard that replaced IAS 39 for classification and measurement, effective for annual periods beginning on or after January 1, 2018.

**4. MARKETABLE SECURITIES**

The Company’s marketable securities consist of shares held in First Mining Finance Corp. and Inform Resources Corp., both TSX-V listed companies. The shares were issued to the Company as part of option agreements on the Company’s Redford and Heidi properties (Note 7).

	<b>First Mining Finance Corp.</b>	<b>Inform Resources Corp.</b>	<b>Total</b>
Cost, March 31, 2015, 2016 and 2017	\$ 40,000	\$ 32,500	\$ 72,500
Adjustment to fair value, March 31, 2015	\$ (39,110)	\$ (32,250)	\$ (71,360)
Fair value adjustment for the year	2,965	(125)	2,840
Adjustment to fair value, March 31, 2016	(36,145)	(32,375)	\$ (68,520)
Fair value adjustment for the year	4,047	50	4,097
Adjustment to fair value, March 31, 2017	\$ (32,098)	\$ (32,325)	\$ (64,423)
Fair value at March 31, 2016	\$ 3,855	\$ 125	\$ 3,980
Fair value at March 31, 2017	\$ 7,902	\$ 175	\$ 8,077

**5. PREPAID EXPENSES**

Prepaid expenses consist of the following as at March 31, 2017 and 2016:

	<b>As at March 31,</b>	
	<b>2017</b>	<b>2016</b>
Property claims maintenance (Note 7)	\$ 154,108	\$ -
Other prepaid expenses	19,488	4,767
Insurance	14,668	1,961
Total	\$ 188,264	\$ 6,728

**6. DEPOSIT**

As at March 31, 2017, the Company had \$11,500 (March 31, 2016 – \$11,500) as a deposit for a corporate credit card. The deposit is automatically renewed at maturity.

**LOGAN RESOURCES LTD.**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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(Expressed in Canadian Dollars)

**7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES**

Ownership in mineral interests involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral interests. The Company has investigated ownership of its mineral interests and, to the best of its knowledge, such ownership interests are in good standing.

Details of exploration and evaluation assets are as follows:

	<b>Heidi</b>	<b>Shell Creek</b>	<b>Liberty Gold</b>	<b>Angel Wing</b>	<b>Total</b>
Acquisition costs, March 31, 2015	\$ -	\$ -	\$ -	\$ -	-
Future reclamation costs	22,483	6,190	-	-	28,673
Impairment	(22,483)	(6,190)	-	-	(28,673)
Acquisition costs, March 31, 2016	-	-	-	-	-
Common shares issued (Note 8)	-	-	486,569	-	486,569
Advance royalty payment (Note 15)	-	-	-	33,307	33,307
Effect of foreign currency translation	-	-	20,873	-	20,873
Acquisition costs, March 31, 2017	\$ -	\$ -	\$ 507,442	\$ 33,307	\$ 540,749

The Company incurred the following exploration and evaluation expenditures during the year ended March 31, 2017:

	<b>Liberty Gold</b>										<b>Angel Wing</b>	<b>Total</b>
	<b>Anchor</b>	<b>Antelope</b>	<b>Brik</b>	<b>Drum</b>	<b>Easter</b>	<b>Griffon</b>	<b>Sandy</b>	<b>Stateline</b>	<b>Viper</b>	<b>Wing</b>		
Claim maintenance and staking	\$ 7,378	\$ 85,197	\$ 37,268	\$ 85,764	\$ 12,525	\$ 24,228	\$ 14,702	\$ 26,195	\$ 13,616	\$ -	-	\$ 306,873
Consulting	2,481	7,188	88,968	40,339	2,943	26,330	2,734	3,334	3,137	1,378	-	178,832
Drilling	-	-	273,888	721	-	-	-	-	-	-	-	274,609
Other	62	74	1,006	738	71	71	62	62	71	-	-	2,217
Travel	1,380	1,840	21,270	13,110	919	1,640	1,380	1,640	919	-	-	44,098
Total	\$ 11,301	\$ 94,299	\$ 422,400	\$ 140,672	\$ 16,458	\$ 52,269	\$ 18,878	\$ 31,231	\$ 17,743	\$ 1,378	-	\$ 806,629

The Company did not incur any exploration and evaluation expenditures during the year ended March 31, 2016.

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**7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES** *(continued)*

**Liberty Gold Properties** (Nevada and Utah, USA)

On July 7, 2016, the Company and Logan USA entered into an option agreement with Liberty Gold (USA) Corp. ("Liberty Gold") (formerly Pilot Gold (USA) Inc.) to acquire up to an 80% interest in certain gold mineral exploration properties located in Nevada and Utah, USA (the "Liberty Transaction"). The option agreement provides for the Company to evaluate a total of nine exploration properties until August 18, 2017, which include the Anchor, Antelope, Brik, Drum, Easter, Griffon, Sandy, Stateline and Viper properties. By August 18, 2017, provided that the initial expenditure requirements detailed below have been met, the Company will select four of the nine properties to earn a 51% interest in those properties (the "Selected Properties"). The remaining five properties will be returned to Liberty Gold. The Liberty Transaction closed on August 18, 2016.

The Company may earn a 51% interest in four of the nine properties by:

- incurring US\$1,000,000 in cumulative exploration expenditures by August 18, 2017 (\$805,251 incurred to March 31, 2017 (US\$613,478));
- issuing common shares of the Company to Liberty Gold equal to 9.9% of the issued and outstanding common shares of the Company after the closing of a concurrent financing (issued) (Note 8); and
- selecting four of the nine properties and returning the remaining five properties to Liberty Gold with a minimum of one year of the holding costs paid for by the Company.

The Company can earn a 70% interest in the Selected Properties by incurring additional expenditures of US\$2,000,000 by August 18, 2019 and issuing 1,000,000 common shares of the Company to Liberty Gold.

The Company will then have the additional option to earn an 80% interest in any of the Selected Properties on which it has completed a prefeasibility study.

Once the Company earns its 80% interest in a Selected Property, or earlier if the Company has earned at least a 51% or 70% interest and declines to exercise its additional option(s), the Company and Liberty Gold shall form a joint venture and each party will thereafter be responsible for its pro rata share of expenditures on the Selected Property.

**Angel Wing Property** (Nevada, USA)

On March 13, 2017, the Company and Logan USA entered into an option agreement pursuant to which the Company acquired a lease over certain unpatented gold mining claims located in Elko County, Nevada (the "Angel Wing Property"). The option agreement expires on March 13, 2037.

The Company is required to pay the following advance minimum royalty payments:

<u>Due Date</u>	<u>Advance Minimum Royalty Payment</u>
March 13, 2017 (accrued, \$33,307)	US\$25,000
March 13, 2018	US\$35,000
March 13, 2019	US\$45,000
March 13, 2020	US\$55,000
Each anniversary date thereafter	US\$65,000

Subsequent to March 31, 2017, the Company paid the advance minimum royalty payment due on March 13, 2017 in the amount of \$33,307 (Note 15). The amount was included in accounts payable and accrued liabilities as at March 31, 2017.

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**7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES** *(continued)*

**Angel Wing Property** (Nevada, USA) *(continued)*

The Angel Wing Property is subject to a 2% net smelter royalty (“NSR”). The Company can reduce the NSR to 1% by paying consideration of US\$1,000,000. Advance minimum royalty payments paid by the Company during the term of the lease shall be recoverable as a credit against the NSR payable on production and sale.

The Company has the option to purchase a 100% interest in the Angel Wing Property for a purchase price of US\$500,000 (the “Option Consideration”). In the event that the Company publishes a technical report in accordance with National Instrument 43-101 that discloses a mineral resource estimate of at least 500,000 ounces of gold on the Angel Wing Property, the Company may pay up to 50% of the Option Consideration by issuing common shares.

**Gorilla Lake Property** (Saskatchewan)

During fiscal 2005, the Company staked claims on the Gorilla Lake Property (formerly referred to by the Company as the Carswell Dome Property), Saskatchewan. Pursuant to a series of option agreements, Alpha Exploration Inc. (“Alpha”), a wholly-owned subsidiary of ALX Uranium Corp., holds an 80% interest in these uranium claims.

The Company shall retain a 20% carried interest in the property and Alpha shall pay, perform and discharge all obligations in respect of the property and maintain the claims in good standing. This carried interest will continue until Alpha:

- a) Delivers a bankable feasibility study to the Company; or
- b) Transfers all of its interest in the property to the Company with no less than 2 years of good standing remaining.

After a bankable feasibility study is delivered to the Company, the carried interest in the property will convert to a 20% participating interest, and the Company will be obligated to fund and pay its proportionate share of any further expenditures on the property. If the Company fails to make payments for work carried out on the property, its interest in the property shall revert to a 2% gross overriding royalty and a 2% NSR.

Alpha has not yet provided the Company with a bankable feasibility study.

**Heidi Property** (Dawson and Mayo Mining Districts, Yukon Territory)

During fiscal 2008, the Company earned a 100% interest in the property, with certain gold claims subject to a 2% NSR. The Company has the right to purchase 50% of the NSR for \$2,000,000 and a right of first refusal with respect to purchasing the remaining 50%.

During the year ended March 31, 2016, the Company recorded a provision for future reclamation costs in the amount of \$22,483 with respect to the Heidi Property. As the Company’s accounting policy is to capitalize estimated future reclamation costs and the Company has no immediate plans to advance the Heidi Property, an impairment loss in the amount of \$22,483 was recorded during the year ended March 31, 2016.

**Redford Property** (Alberni Mining Division, B.C.)

The Company retains a 100% interest in the Redford Property and has no immediate plans to advance the Redford Property.

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**7. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES** *(continued)*

**Shell Creek Property** (Dawson Mining District, Yukon Territory)

During fiscal 2008, the Company earned a 100% interest in the Shell Creek Property. Certain claims were acquired pursuant to an option agreement and are subject to a 2% NSR. The Company has the right to purchase 50% of the NSR retained by the optionor for a purchase price of \$2,000,000 and a right of first refusal with respect to purchasing the remaining 50% of the NSR.

During the year ended March 31, 2016, the Company recorded a provision for future reclamation costs in the amount of \$6,190 with respect to the Shell Creek Property. As the Company's accounting policy is to capitalize estimated future reclamation costs and the Company has no immediate plans to advance the Shell Creek Property, an impairment loss in the amount of \$6,190 was recorded during the year ended March 31, 2016.

**Provision for future reclamation costs**

The balance of provision for future reclamation costs is summarized as follows:

	<b>Heidi</b>	<b>Shell Creek</b>	<b>Total</b>
Balance, March 31, 2015	\$ 34,000	\$ 22,000	\$ 56,000
Estimate of reclamation costs	22,483	6,190	28,673
Reclamation costs incurred	(56,483)	(28,190)	(84,673)
Balance, March 31, 2016 and 2017	\$ -	\$ -	\$ -

The provisions recorded during the year ended March 31, 2016 were the undiscounted amount of the estimated cash flows required to settle the obligations. The reclamation was expected to be incurred in the short-term; and therefore the provisions also represented the discounted cash flows of the obligations. The reclamation costs were incurred during the year ended March 31, 2016.

**Reclamation bond**

As at March 31, 2017, the reclamation bond consists of a bond in the amount of US\$17,636 (March 31, 2016 - \$Nil) related to the Liberty Gold properties which is held by the United States Department of the Interior Bureau of Land Management.

**8. CAPITAL STOCK AND OTHER EQUITY RESERVES**

**Authorized**

Unlimited number of common shares without par value.

**Share issuances**

The Company issued the following common shares during the year ended March 31, 2017:

On August 3, 2016, the Company completed a private placement and issued 22,000,000 units for gross proceeds of \$2,200,000. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one common share up to August 3, 2019 at an exercise price of \$0.30. The Company issued 402,500 common shares valued at \$46,288 for finders' fees which were recorded as share issue costs as an offset to capital stock. The Company also paid share issue costs in the amount of \$38,974 in connection with the private placement.

On August 3, 2016, the Company issued 1,000,000 common shares valued at \$115,000 to settle amounts payable to a third party in the amount of \$100,000, resulting in a loss on settlement of debt of \$15,000.

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**8. CAPITAL STOCK AND OTHER EQUITY RESERVES** *(continued)*

**Share issuances** *(continued)*

On August 18, 2016, the Company issued 4,231,037 common shares valued at \$486,569 and equal to 9.9% of the issued and outstanding common shares of the Company, in accordance with the Liberty Transaction (Note 7).

There were no common share issuances during the year ended March 31, 2016.

**Stock options**

The Company grants stock options to directors, officers, employees and consultants as compensation for services, pursuant to its Incentive Share Option Plan (the "Plan"). The maximum price shall not be less than the closing price of the common shares on the last trading day preceding the date on which the grant of options is approved by the Board of Directors. Options have a maximum expiry period of ten years from the grant date. The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares immediately prior to the grant.

Pursuant to the Plan, options granted in respect of investor relations activities are subject to vesting restrictions, such that one-quarter of the options vest three months from the grant date and in each subsequent three-month period thereafter such that the entire option will have vested twelve months after the award date. Vesting restrictions may also be applied to certain other option grants, at the discretion of the directors.

The following is a summary of stock option activity for the years ended March 31, 2017 and 2016:

	Number of Stock Options	Weighted Average Exercise Price
Outstanding, March 31, 2015 and 2016	-	\$ -
Granted	2,800,000	\$0.12
Outstanding, March 31, 2017	2,800,000	\$0.12

As at March 31, 2017, the following stock options were outstanding and exercisable:

Outstanding	Exercisable	Exercise Price	Remaining life (years)	Expiry Date
2,800,000	700,000	\$0.12	4.35	August 4, 2021

**Share-based payments**

The Company recognizes share-based payments expense for all stock options granted using the fair value based method of accounting. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, forfeiture rate, and expected life of the options. During the year ended March 31, 2017, the Company recognized share-based payment expense of \$161,748 (March 31, 2016 - \$Nil).

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**8. CAPITAL STOCK AND OTHER EQUITY RESERVES** *(continued)*

**Share-based payments** *(continued)*

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The following weighted average assumptions were used to estimate the weighted average grant date fair values during the years ended March 31, 2017 and 2016:

	Years Ended March 31,	
	2017	2016
Risk-free interest rate	0.62%	-
Expected life	3 – 4.5 years	-
Annualized volatility	122.76%	-
Dividend yield	0%	-
Grant date fair value per option	\$0.10	-

**Share purchase warrants**

The following is a summary of share purchase warrant activity for the years ended March 31, 2017 and 2016:

	Number of Share Purchase Warrants	Weighted Average Exercise Price
Outstanding, March 31, 2015 and 2016	-	\$ -
Issued	22,000,000	\$0.30
Outstanding, March 31, 2017	22,000,000	\$0.30

As at March 31, 2017, the Company had the following share purchase warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
22,000,000	\$0.30	2.34	August 3, 2019

**9. RELATED PARTY TRANSACTIONS**

Related parties and related party transactions impacting the consolidated financial statements are summarized below and include transactions with the following individuals or entities:

**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.

Remuneration attributed to key management personnel can be summarized as follows:

	Years Ended March 31,	
	2017	2016
Short-term benefits <sup>(1)</sup>	\$ 125,346	\$ 13,737
Share-based payments (Note 8)	131,421	-
<b>Total</b>	<b>\$ 256,767</b>	<b>\$ 13,737</b>

<sup>(1)</sup> Includes director fees and base salaries, pursuant to contractual employment or consultancy arrangements.

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**9. RELATED PARTY TRANSACTIONS** *(continued)*

**Other related parties**

King & Bay West Management Corp. (“King & Bay West”): King & Bay West is an entity that is owned by Mark Morabito, a director and officer of the Company, and employs or retains certain directors, officers and consultants of the Company. King & Bay West provided administrative, management, geological, regulatory, legal, accounting, corporate development and corporate communications services to the Company. King & Bay West will continue to provide certain services to the Company in the future.

During the year ended March 31, 2017, transactions entered into with King & Bay West, other than key management personnel, amounted to \$290,559 (March 31, 2016 - \$62,260).

As of March 31, 2017, amounts due to related parties include amounts payable to King & Bay West of \$444,913 (March 31, 2016 - \$521,637) which consist of current and non-current amounts payable of \$444,913 (March 31, 2016 - \$12,683) and \$Nil (March 31, 2016 - \$508,954), respectively. The current amount payable to King & Bay West is non-interest bearing, unsecured, and has no fixed terms for payment. The non-current amount payable to King & Bay West as of March 31, 2016 related to a deferral arrangement between the Company and King & Bay West which deferred amounts payable to King & Bay West in the amount of \$508,954 by two years, subject to early repayment in the event the Company undergoes a change of control or completes a financing for no less than \$1,000,000 in gross proceeds. During the year ended March 31, 2017, the Company completed a private placement for gross proceeds of \$2,200,000 (Note 8), and accordingly the balance was reclassified to current liabilities.

As of March 31, 2017, amounts due to related parties include an amount payable to the Vice President of Exploration of the Company in the amount of \$8,740 (March 31, 2016 - \$Nil) for consulting services. The amount payable is non-interest bearing, unsecured, and has no fixed terms for payment.

**10. INCOME TAXES**

The following is a reconciliation of income taxes attributable to operations computed at the statutory tax rates to income tax recovery.

	<b>Years ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
Accounting loss before income taxes	\$ (1,490,472)	\$ (170,608)
Income tax recovery at statutory rates	\$ (388,000)	\$ (44,000)
Change in unrecognized deductible temporary differences and other	388,000	44,000
Total	\$ -	\$ -

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**10. INCOME TAXES** *(continued)*

The significant deductible temporary differences, unused tax losses and expiry dates are as follows:

	<b>March 31, 2017</b>		<b>March 31, 2016</b>	
Exploration and evaluation assets	\$ 4,322,000	no expiry	\$ 3,776,000	no expiry
Investment tax credit	194,000	2030 - 2034	194,000	2030 - 2034
Equipment	272,000	no expiry	272,000	no expiry
Share issuance costs	31,000	2038 - 2041	9,000	2036 - 2037
Marketable securities	64,000	no expiry	69,000	no expiry
Allowable capital losses	4,000	no expiry	4,000	no expiry
Non-capital losses available for future periods	6,736,000	2026 - 2037	5,346,000	2017 - 2036

Tax attributes are subject to review, and potential adjustment, by tax authorities.

**11. SEGMENTED INFORMATION**

The Company's operations are limited to a single industry segment being the acquisition, exploration and evaluation of exploration and evaluation assets in North America.

	<b>As at March 31, 2017</b>		<b>As at March 31, 2016</b>	
<b><u>Deposit</u></b>				
Canada	\$	11,500	\$	11,500
<b><u>Exploration and Evaluation Assets</u></b>				
United States	\$	540,749	\$	-
<b><u>Reclamation Bond</u></b>				
United States	\$	23,496	\$	-

**12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS**

The Company had the following significant non-cash transactions affecting cash flows from investing or financing activities during the year ended March 31, 2017:

- On August 3, 2016, the Company issued 402,500 common shares valued at \$46,288 for finders' fees in connection with a private placement (Note 8).
- On August 3, 2016, the Company issued 1,000,000 common shares valued at \$115,000 to settle amounts payable to a third party in the amount of \$100,000, resulting in a loss on settlement of debt of \$15,000 (Note 8).
- On August 18, 2016, the Company issued 4,231,037 common shares valued at \$486,569 in accordance with the Liberty Transaction (Notes 7 and 8).
- As at March 31, 2017, accounts payable and accrued liabilities include an accrual for acquisition costs with respect to the Angel Wing Property in the amount of \$33,307 which represents the advance minimum royalty payment due on March 13, 2017 in the amount of US\$25,000 (Note 6). The payment was made subsequent to March 31, 2017 (Note 15).

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**12. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS** *(continued)*

There were no significant non-cash transactions affecting cash flows from investing or financing activities during the year ended March 31, 2016.

During the year ended March 31, 2016, amounts due to King & Bay West of \$508,954 were reclassified from current liabilities to non-current liabilities as a result of the Company and King & Bay West entering into a deferral arrangement (Note 9).

**13. CAPITAL MANAGEMENT**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure for its projects for the benefit of its stakeholders, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

The Company includes the components of equity (deficiency) in its managed capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or debt.

The Company's investment policy is to invest its cash in investment instruments with high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year ended March 31, 2017.

**14. FINANCIAL INSTRUMENTS**

As at March 31, 2017, the Company's financial instruments consist of cash and cash equivalents, marketable securities, amounts receivable, deposits, reclamation bond, accounts payable and accrued liabilities and amounts due to related parties.

The Company's financial instruments are subject to certain risks.

**Credit risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, amounts receivable, deposit and reclamation bond. The risk arises from the non-performance by counterparties of contractual financial obligations. To minimize credit risk, the Company places cash and cash equivalent and deposit with high credit quality financial institutions. The Company's policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts. Amounts receivable consist of input tax credits due from the Government of Canada and as such are exposed to insignificant credit risk. The reclamation bond is held by the Bureau of Land Management of the United States Department of the Interior and as such is exposed to insignificant credit risk.

**Liquidity risk**

The Company's approach to managing liquidity risk is to provide reasonable assurance that it has sufficient capital to meet short-term financial obligations after taking into account its exploration obligations and cash on hand. The Company believes it has sufficient cash and cash equivalents to settle accounts payable and accrued liabilities but not amounts owing to related parties. In the next twelve months, the Company will need additional funding to continue exploration activities and for administrative overhead costs and working capital purposes. See also Notes 1 and 7.

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**14. FINANCIAL INSTRUMENTS** *(continued)*

**Market risk**

Market risks consist of interest rate risk, foreign exchange risk and other price risk.

Interest rate risk

The Company has cash and cash equivalents balances and no interest bearing debt. The interest earned on cash and cash equivalents approximates fair value rates and therefore the Company is not at a significant risk to fluctuating interest rates.

Currency risk

During the year ended March 31, 2017, the Company entered into option agreements with respect to properties located in the United States for which expenditures will be incurred in US dollars, exposing the Company to currency risk (Note 7). The Company's recent financing was in Canadian dollars but any future equity raised may be in either US dollars or Canadian dollars. Approximately 40% of the Company's cash and cash equivalents are held in US dollar bank accounts as of March 31, 2017. A 10% change in the Canadian dollar versus the US dollar would affect the loss of the Company by approximately \$30,000.

Price risk

The Company is exposed to price risk with respect to its investments in publicly traded securities. The Company closely monitors those prices to determine the appropriate course of action to be taken by the Company. There can be no assurance that the Company can exit these positions, if required, resulting in proceeds approximating the carrying value of these securities.

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in the market price of gold and precious metals. The Company closely monitors commodity prices and marketable securities to determine the appropriate course of action to be taken.

**15. SUBSEQUENT EVENT**

The following event occurred subsequent to the year ended March 31, 2017:

- On April 11, 2017, the Company paid the advance royalty payment in the amount of \$33,307 with respect to the Angel Wing Property which was accrued as of March 31, 2017 (Note 7).

**Logan Resources Ltd.**  
**Management's Discussion & Analysis**  
**For the Year Ended March 31, 2017**  
Date Prepared: July 20, 2017

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**GENERAL**

The following management discussion and analysis ("MD&A") for Logan Resources Ltd. (the "Company" or "Logan") for the year ended March 31, 2017 should be read in conjunction with the Company's audited annual consolidated financial statements for the year then ended and the accompanying notes thereto.

All dollar figures presented are expressed in Canadian dollars unless otherwise noted. Financial statements and summary information derived therefrom are prepared in accordance with International Financial Reporting Standards ("IFRS"). Consequently, all comparative financial information presented in this MD&A reflects the consistent application of IFRS.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls and to ensure that information used internally or disclosed externally, including the financial statements and MD&A, is complete and reliable. The Company's Board of Directors follows recommended corporate governance guidelines for public companies to ensure transparency and accountability to shareholders. The Board of Directors' Audit Committee meets with management quarterly to review the financial statements and the MD&A and to discuss other financial, operating and internal control matters. The reader is encouraged to review the Company's statutory filings on [www.sedar.com](http://www.sedar.com).

**FORWARD LOOKING STATEMENTS**

Information set forth in this MD&A may involve forward-looking information under applicable securities laws. Forward-looking information is information that relates to future, not past, events. In this context, forward-looking information often addresses expected future business and financial performance, and often contains words such as "anticipate", "believe", "plan", "estimate", "expect", and "intend", statements that an action or event "may", "might", "could", "should", or "will" be taken or occur, or other similar expressions. All statements, other than statements of historical fact, included herein including, without limitation; statements about anticipated future expenses, the sufficiency of the Company's working capital, the details and timing of future exploration on and the development of the mineral properties, future financings, receipt of the results of exploration programs and the use of financing proceeds contain forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the inability to obtain regulatory approvals; the volatility of our common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulators.

In addition, forward-looking information is based on various assumptions including, without limitation, the expectations and beliefs of management, the assumed long term price of commodities; that the Company can access financing, appropriate equipment and sufficient labour and that the political environment will continue to support the development and operation of mining projects. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking information. Forward-looking information is based on management's beliefs, estimates and opinions on the date that statements are made and the Company undertakes no obligation to update forward-looking information if these beliefs, estimates and opinions or other circumstances should change, except as required by applicable securities laws. Investors are cautioned against attributing undue certainty to forward-looking information.

**Logan Resources Ltd.**  
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Date Prepared: July 20, 2017

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**DESCRIPTION OF BUSINESS**

The Company is incorporated in the Province of British Columbia and is an exploration stage company engaged in the acquisition, exploration and development of mineral resource properties across North America. The Company is a reporting issuer in British Columbia and Alberta and its shares trade on the TSX Venture Exchange ("TSX-V" or the "Exchange") under the symbol "LGR".

During the year ended March 31, 2017, the Company entered into option agreements with respect to gold mineral exploration properties located in Nevada and Utah, USA and completed a private placement. Refer to "Exploration and Evaluation Asset" and "Share Capital" below for further details.

**OUTLOOK**

The Company continues to seek opportunities to increase shareholder value and depends on its ability to raise equity capital to fund its operations. During the year ended March 31, 2017, the Company completed an option agreement (see "Exploration and Evaluation Assets") and raised gross proceeds of \$2.2 million which the Company has been using to evaluate and explore properties located in Nevada and Utah, USA and for general corporate and working capital purposes. The Company has completed the first phase of a drilling program at the Brik Property and is currently planning a second phase. The Company also completed permitting requirements and a drill program on the Antelope Property and is awaiting assay results. Furthermore, the Company entered into a mining lease and purchase option agreement pursuant to which the Company acquired a lease over certain unpatented mining claims located in Elko County, Nevada known as the Angel Wing Property. The Company is positioned with multiple exploration and/or evaluation alternatives for the nine properties under option from Liberty Gold (USA) Corp. (see "Exploration and Evaluation Assets").

**EXPLORATION AND EVALUATION ASSETS**

**LIBERTY GOLD PROPERTIES** (*Nevada and Utah, USA*)

On July 7, 2016, the Company and its wholly owned subsidiary, Logan Resources USA, Inc. ("Logan USA"), entered into an option agreement with Liberty Gold (USA) Corp. ("Liberty Gold") (formerly Pilot Gold (USA) Inc.) to acquire up to an 80% interest in certain gold mineral exploration properties located in Nevada and Utah, USA (the "Liberty Transaction"). The option agreement provides for the Company to evaluate a total of nine exploration properties over a 12 month period. At the end of the 12 month period, provided that the initial expenditure requirements detailed below have been met, the Company will select four of the nine properties to earn a 51% interest in those properties (the "Selected Properties"). The remaining five properties will be returned to Liberty Gold. The Liberty Transaction closed on August 18, 2016.

The Company may earn a 51% interest in four of the nine properties by:

- incurring US\$1,000,000 in cumulative exploration expenditures by August 18, 2017;
- issuing common shares of the Company to Liberty Gold equal to 9.9% of the issued and outstanding common shares of the Company after the closing of a concurrent financing (issued, see "Share Capital"); and
- selecting four of the nine properties and returning the remaining five properties to Liberty Gold with a minimum of one year of the holding costs paid for by the Company.

The Company can earn a 70% interest in the Selected Properties by incurring additional expenditures of US\$2,000,000 by August 18, 2019 and issuing 1,000,000 common shares of the Company to Liberty Gold.

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The Company will then have the additional option to earn an 80% interest in any of the Selected Properties on which it has completed a prefeasibility study.

Once the Company earns its 80% interest in a Selected Property, or earlier if the Company has earned at least a 51% or 70% interest and declines to exercise its additional option(s), the Company and Liberty Gold shall form a joint venture and each party will thereafter be responsible for its pro rata share of expenditures on the Selected Property.

The Company incurred the following exploration and evaluation expenditures on the Liberty Gold properties during the year ended March 31, 2017:

	Liberty Gold									Total
	Anchor	Antelope	Brik	Drum	Easter	Griffon	Sandy	Stateline	Viper	
Claim maintenance and staking	\$ 7,378	\$ 85,197	\$ 37,268	\$ 85,764	\$ 12,525	\$ 24,228	\$ 14,702	\$ 26,195	\$ 13,616	\$ 306,873
Consulting	2,481	7,188	88,968	40,339	2,943	26,330	2,734	3,334	3,137	177,454
Drilling	-	-	273,888	721	-	-	-	-	-	274,609
Other	62	74	1,006	738	71	71	62	62	71	2,217
Travel	1,380	1,840	21,270	13,110	919	1,640	1,380	1,640	919	44,098
<b>Total</b>	<b>\$ 11,301</b>	<b>\$ 94,299</b>	<b>\$ 422,400</b>	<b>\$140,672</b>	<b>\$ 16,458</b>	<b>\$ 52,269</b>	<b>\$ 18,878</b>	<b>\$ 31,231</b>	<b>\$ 17,743</b>	<b>\$805,251</b>

A brief description of the nine properties included in the Liberty Transaction follows below.

Griffon

The Griffon property is a past producer consisting of 89 claims located along Nevada's Cortez Trend. Approximately 100,000 gold ounces were mined by Alta Gold, from two pits in the 1990s.

Griffon is located at the southern end of the Battle Mountain - Eureka Trend and is a typical Carlin-type sediment-hosted gold property. Disseminated gold mineralization occurs in siltstone and shale of the Mississippian Chainman Formation and in a sequence of fine-grained limestone and siltstone interpreted to represent an upper member of the Mississippian Joana Limestone.

Past exploration on the Griffon property focused on discovery and delineation of the two distinct historic gold deposits. Very little exploration work was done on peripheral targets after the initial discoveries.

The property has been permitted for 30 drill holes and a bond is in place. Targets include known extensions to the existing pits and other anomalies as defined by soil and rock geochemistry.

For further information on the Griffon Property, please refer to the NI 43-101 Technical Report on the Griffon Property dated June 1, 2016 which was filed by the Company on SEDAR on August 15, 2016 ([www.sedar.com](http://www.sedar.com)).

Brik

The Brik property is located in the Cedar Range of Lincoln County, Nevada and was previously drilled by Liberty Gold in 2011. Brik is one of several, low sulfidation epithermal gold and silver systems in southeastern Nevada that occur in an area of nested volcanic calderas. The claim block includes multiple exploration targets of which one, Hidden Treasure, was the focus of Logan's exploration program. Drilling by the Company during calendar year 2016 targeted a prominent silicified knob that includes phases of milky quartz, chalcedonic quartz, and quartz breccia, covering an area roughly 200 by 200 meters. Targets tested include the gold-bearing silica cap, deeper mineralization thought to be controlled by steep structures, and geophysical targets likely to represent additional zones of silicification favorable for gold mineralization.

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A total of eight reverse circulation holes were drilled for 1,380 meters. Hole 16-01 confirmed the presence of significant oxide gold in the near-surface and returned 33.53m @ 1.11 g/t Au (1.52 – 35.05m). Holes 16-01 and 16-03 also intersected deeper, oxidized gold mineralization controlled by north west trending structures. An important result of the program is the expansion of the permissive stratigraphy to the east; hole 16-03 was prematurely terminated in rhyolite grading 1.37 g/t, for the first time demonstrating grade beyond the andesite contact. Perhaps most significantly, hole 16-02 tested a deep CSAMT resistor and returned 33.52m grading 1.15 g/t Au in heavily oxidized vein material (211.84 – 245.36m). Logan regards this hole as a significant “proof of concept” providing solid evidence that cost-effective ground geophysical surveys will generate additional drill targets. Complete assay results for the RC drilling program can be found in the table below.

Logan has completed limited additional test work on the drill chip rejects, including CN soluble gold analyses, metallic sieve analyses, and a study of the distribution of gold in different size fractions. Results confirm the presence of coarse gold in higher grade samples, and preferential occurrence of gold in the coarser size fraction materials. This, along with the brecciated character of the host rock, is believed to contribute to relatively high, intrinsic variability in this deposit.

Taken together, these results enhance our understanding of the basic geometry of the gold-mineralizing system at Brik, and give confidence that the system extends to depth and can be effectively targeted utilizing ground geophysical surveys.

The Company is planning a second phase of drilling on the Brik property which is estimated to total approximately 1,995 meters in 10 core holes to be carried out by the end of calendar year 2017, should the Company complete the required financing.

Hole ID	NAD83		Az.	Inc	TD	TD	From	To	Interval	From	To	Interval	Au	Au
	East	North			(ft)	(m)	(ft)	(ft)	(ft)	(m)	(m)	(m)	(g/t)	(oz/ton)
BK1601	741935	4173203	50	-70	605	184.40	5	115	110	1.52	35.05	33.53	1.11	0.032
					including		5	50	45	1.52	15.24	13.72	2.29	0.067
							485	490	5	147.83	149.35	1.52	0.42	0.012
BK1602	741951	4173186	50	-78	970	295.66	0	5	5	0	1.52	1.52	0.87	0.025
							65	120	55	19.81	36.58	16.77	0.44	0.013
					including		110	115	5	33.53	35.05	1.52	1.49	0.043
							695	805	110	211.84	245.36	33.52	1.15	0.034
					including		745	770	25	227.08	234.70	7.60	1.99	0.058
BK1603	741985	4173154	50	-65	335	102.11	310	355	45	94.49	108.2	13.71	0.47	0.014
					including		350	355	5	106.68	108.2	1.52	1.37	0.04
BK1604	741887	4173226	0	-90	165	50.29	0	95	95	0	28.96	28.96	0.46	0.013
					including		50	60	10	15.24	18.29	3.05	1.52	0.044
BK1605	741856	4173279	90	-60	760	231.65	270	275	5	82.3	83.82	1.52	0.52	0.015
							470	500	30	143.26	152.4	9.14	0.038	0.011
							665	670	5	202.69	204.22	1.53	0.50	0.015
							715	720	5	217.93	219.46	1.53	2.27	0.066
BK1606	741943	4173032	240	-65	500	152.40	No Significant Results							
BK1607	742109	4172984	230	-75	645	196.60	330	340	10	100.58	103.63	3.05	0.21	0.006
							595	600	5	181.36	182.88	1.52	0.30	0.009
BK1608	741923	4173230	40	-60	525	160.02	0	15	15	0	4.57	4.57	0.40	0.012
							170	185	15	51.82	56.39	4.57	0.80	0.023
							360	470	110	109.73	143.26	33.53	0.48	0.014
					including		360	370	10	109.73	112.78	3.05	0.89	0.026
					and		415	420	5	126.49	128.02	1.53	2.81	0.082
					and		445	465	20	135.64	141.73	6.09	0.75	0.022

Composite assays for the 2016 calendar year drilling program at Hidden Treasure (note: widths are down hole; true widths may be less)

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Drum

The Drum property is located in the Drum Mountains of west-central Utah, adjacent to the historic Drum mine property which operated between 1984 and 1989 and produced over 126,000 ounces of gold from two distinct "Carlin-type" gold deposits that averaged 0.04 ounce Au per ton (1.37g/t Au).

The property has been mapped and sampled and drill targets have been identified in five areas on the property based on rock and soil geochemistry. Lower Cambrian carbonate and fine-grained clastic strata are the projected host rocks in all of these target areas.

Gold in surface samples is strongly associated with silicification (jasperoid). This is similar to the historic Drum Mine, where gold-bearing jasperoid outcrops occur in the vicinity of the main deposit, in which the host rocks consist of strongly clay-altered strata and altered dikes. On the claims, gold concentrations in outcrops of jasperoid and variably silicified breccias are commonly between 0.10 and 1.00 ppm, with a maximum of 5.2 ppm Au. Antimony and bismuth display the strongest correlations with anomalous gold.

Easter

The Easter property is located in Nevada's Eastern Calderas. The property contains a historical mineral resource estimate which is set out in the table below.

<b>Resource Classification</b>	<b>AuEq Cut-off (ppm)</b>	<b>Tons (M)</b>	<b>AuEq (ppm)</b>	<b>Au (ppm)</b>	<b>Ag (ppm)</b>	<b>Au Contained (k oz)</b>	<b>Ag Contained (k oz)</b>
Indicated	0.35	2.64	1.542	1.323	14	101.7	1,077
Inferred		0.20	1.321	1.142	12	6.7	71

The mineral resource estimate was the subject of a technical report prepared by SRK Consulting for La Quinta Resource Corp. and dated July 13, 2010. **However, a qualified person for the Company has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the Company is not treating the historical estimate as current mineral resources.** In order to verify the historical estimate, the Company needs to retain a qualified person to review the historical data, review any work completed on the property since the date of the estimate and complete a new technical report.

The SRK mineral resource estimation was based on a geologic model of mineralization hosted within a 0.3ppm Au grade shell constructed using Leapfrog® software. The grade shell was used to constrain the resource estimation within a block model constructed with 15ft cubic blocks. The raw drill assays were capped prior to compositing into 15ft bench composites. Gold was capped at 6.5ppm and silver was capped at 70ppm. The grade estimation used an inverse distance squared weighting algorithm. A two pass estimation was run for both gold and silver. The first pass assigned grade to all blocks hosting a composite. The second pass was allowed to search within the grade shell to a maximum of 200ft down dip, 150ft along strike and 30ft across strike and dip. A minimum of three and maximum of eight composites were used with a restriction of only two samples per octant to assign grade.

The resources were classified according to CIM guidelines as Indicated and Inferred Mineral Resources. The Indicated Mineral Resource was defined by a wireframe solid constructed about the core of the mineralization where most drilling is spaced 25 to 50ft apart. All blocks located outside of this solid were classified as Inferred Mineral Resources.

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Antelope

The Antelope property consists of 65 unpatented federal lode claims located 79 kilometres northeast of Ely, Nevada. Gold-bearing jasperoid of variable thickness occurs at or near the contact between the Pilot Shale and Guillmette Limestone. Additional, disseminated gold mineralization occurs locally in monzonite dikes which appear to occupy northwest trending fault zones. A total of 138 shallow reverse circulation drill holes were drilled by previous operators.

The Company completed the permitting process for Antelope during May 2017 and completed a reverse circulation drilling program during June 2017. A total of 649 meters were drilled in four holes which were designed to confirm results from selected historic drill holes and to test for extensions of near-surface mineralization down dip and along strike. Assay results are pending.

Anchor

The Anchor property is located along the Cortez Trend and has demonstrated gold mineralization at a relatively shallow depth. Previous surface sampling and drilling suggest that Anchor contains a sediment-hosted, Carlin-type gold system.

Stateline

The Stateline property is also situated within the Eastern Calderas and has demonstrated high grades for gold and silver at surface. There are a large number of veins present and the property is a historic producer.

Sandy

The Sandy property is a sediment-hosted gold property located in Southern Nevada and consists of 54 claims and has returned high grade surface samples. The property was staked due to structural and stratigraphic similarities to the Long Canyon, Kinsley Mountain and Bald Mountain properties.

Viper

Viper is an early-stage, low-sulfidation epithermal gold target, located in northeastern Nevada. The nearest community is the town of Montello, located approximately 60 kilometers to the southwest. The Viper property is unique in that mineralization is hosted by Permian/Triassic silty limestone and silicified conglomerate which are overlain by unmineralized Miocene rhyolite and dacite. The gold system is believed to be coeval with the felsic volcanic rocks, and similar in age and character to the nearby Jarbidge district. Gold mineralization at the Viper property is closely related to the presence of quartz-calcite veins and vein stockworks. Individual veins exhibit exceptional bladed and lattice epithermal textures, and free gold is visible in a number of outcrops. The Company entered into an additional option agreement to expand Viper. Refer to "Exploration and Evaluation Assets - Angel Wing Property" below.

**ANGEL WING PROPERTY** (*Nevada, USA*)

On March 13, 2017, the Company and Logan USA entered into an option agreement pursuant to which the Company acquired a lease over certain unpatented mining claims located in Elko County, Nevada (the "Angel Wing Property"). The option agreement expires on March 13, 2037.

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The Company is required to pay the following advance minimum royalty payments:

<u>Due Date</u>	<u>Advance Minimum Royalty Payment</u>
March 13, 2017 (paid)	US\$25,000
March 13, 2018	US\$35,000
March 13, 2019	US\$45,000
March 13, 2020	US\$55,000
Each anniversary date thereafter	US\$65,000

The Angel Wing Property is subject to a 2% net smelter royalty ("NSR"). The Company can reduce the NSR to 1% by paying consideration of US\$1 million. Advance minimum royalty payments paid by the Company during the term of the lease shall be recoverable as a credit against NSR payable on production and sale.

The Company has the option to purchase the Angel Wing Property for a purchase price of US\$500,000 (the "Option Consideration"). In the event that the Company publishes a technical report in accordance with National Instrument 43-101 that discloses a mineral resource estimate of at least 500,000 ounces of gold on the Angel Wing Property, the Company may pay up to 50% of the Option Consideration by issuing common shares.

The acquisition of the Angel Wing Property effectively consolidates the greater part of the Viper District in northeastern Nevada, USA. The resulting size of the consolidated Viper Project is 1,756.6 hectares. The Angel Wing Property brings an additional 87 adjacent and interlocking claims to the Viper Project, effectively merging the two focus areas of historic work. This will allow exploration of the entire four-kilometer strike length of the main mineralized trend.

During the year ended March 31, 2017, the Company incurred exploration and evaluation expenses related to the Angel Wing Property in the amount of \$1,378 for geology personnel.

**REDFORD** (*British Columbia, Canada*)

The Company retains a 100% interest in the Redford Property which comprises 30 claims covering approximately 11,986 hectares and is located 22 km northeast of Ucluelet on Vancouver Island. Several types of mineralization are found on the property including iron skarns, gold in quartz veins, copper-cobalt in skarn deposits, copper-platinum-palladium in Karmutsen volcanics, and gold-hosted epithermal quartz veins associated with shear zones.

The Redford Property hosts the Brynnor iron (magnetite) deposit. From 1962-1967, Noranda Exploration Ltd. mined the near surface portion of the iron ore body by open pit methods. The underground extension to this ore body was never mined.

No exploration work was completed on the Redford Property during the years ended March 31, 2017 or 2016. The Company has no current plans to advance the Redford Property and continues to evaluate its strategic options with respect to the property.

**SHELL CREEK** (*Yukon, Canada*)

The Company owns a 100% interest in the Shell Creek Property, subject to a 2% NSR. The property is located 75 km northwest of Dawson City, in the Dawson Mining District, in West-Central Yukon Territory and comprises 561 mineral claims, covering 11,727 hectares.

The property lies adjacent to the Tintina Fault, a major structure associated with several high-grade mineral deposits. Shell Creek lies on the margin of a 600 km<sup>2</sup> magnetic anomaly, along which IOCG type mineral potential is recognized. The property also hosts an 8 km<sup>2</sup> copper soil geochemical anomaly along the margin of the largest gravity anomaly in the Yukon.

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No exploration work was completed on the Shell Creek Property during the years ended March 31, 2017 or 2016. The Company has no current plans to advance the Shell Creek Property and is currently evaluating its strategic options with respect to the property.

**HEIDI** (*Yukon, Canada*)

The Heidi Property comprises 120 claims, covering approximately 2,508 hectares, and is located approximately 95 km east-northeast of Dawson City, Yukon Territory and approximately 30 km east of the Dempster Highway. The Company owns a 100% interest in the Heidi Property, subject to a 2% NSR.

No exploration work was completed on the Heidi Property during the years ended March 31, 2017 or 2016. The Company has no current plans to advance the Heidi Property and continues to evaluate its strategic options with respect to the property.

**GORILLA LAKE PROPERTY** (*Saskatchewan, Canada*)

In fiscal 2005, the Company staked the 7,552 hectare Gorilla Lake Property (formerly referred to by the Company as the Carswell Dome Property) consisting of two claims on the Carswell Dome Structure, Athabasca Basin, Saskatchewan. The property is currently under option to Alpha Exploration Inc. ("Alpha"), a wholly-owned subsidiary of ALX Uranium Corp. ("ALX"). Pursuant to a series of option agreements, Alpha holds an 80% in the property.

The Company retains a 20% carried interest in the property and Alpha shall pay, perform and discharge all obligations in respect of the property and maintain the claims in good standing. This carried interest will continue until Alpha:

- a) Delivers a bankable feasibility study to the Company; or
- b) Transfers all of its interest in the property to the Company with no less than 2 years of good standing remaining.

After a bankable feasibility study is delivered to the Company the carried interest in the property will convert to a 20% participating interest and the Company will be obligated to fund and pay its proportionate share of any further expenditures on the property. If the Company fails to make payments for work carried out on the property, its interest in the property shall revert to a 2% gross overriding royalty and a 2% NSR.

Alpha has not yet provided the Company with a bankable feasibility study and the current reporting period ended with all claims remaining in good standing. On May 2, 2017, ALX announced the results of a diamond drilling program at the Gorilla Lake Property which consisted of four holes totalling 1,116 metres and was carried out in March 2017. ALX's news release is available on SEDAR ([www.sedar.com](http://www.sedar.com)).

**NATIONAL INSTRUMENT 43-101**

The Company's exploration work on its United States mineral properties is supervised by Dr. Craig Bow, Ph.D., Vice President of Exploration of the Company, and a Qualified Person ("QP") as defined by National Instrument 43-101 ("NI 43-101"). Dr. Bow has reviewed and approved the technical information disclosed in this MD&A.

With respect to the Company's Canadian mineral properties, C. Stewart Wallis, P.Geo and a director of the Company has reviewed and approved the technical information disclosed in this MD&A. Mr. Wallis is a QP as defined by NI 43-101.

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**SELECTED ANNUAL INFORMATION**

The following financial data are selected information for the Company for the three most recently completed financial years:

	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Revenue	\$ -	\$ -	\$ -
Loss	\$ (1,490,472)	\$ (170,608)	\$ (220,695)
Loss per share (basic and diluted)	\$ (0.04)	\$ (0.01)	\$ (0.01)
Total assets	\$ 1,521,638	\$ 187,206	\$ 358,414
Total non-current financial liabilities	\$ -	\$ 508,954	\$ -

During the years ended March 31, 2016 and 2015, the Company maintained low levels of expenditures to conserve cash as it evaluated strategic opportunities. The increase in net loss for the year ended March 31, 2017 is explained by the completion of the Liberty Transaction, including a concurrent financing for gross proceeds of \$2,200,000, and related increases in corporate and exploration activities. For further detail, refer to "Exploration and Evaluation Assets" and "Review of Financial Results".

The increase in total assets during the year ended March 31, 2017 is explained by the Company completing a private placement and executing option agreements, resulting in increased cash and cash equivalents and exploration and evaluation assets. During the year ended March 31, 2016, the decrease in total assets is explained by cash used for operating activities.

As of March 31, 2016, non-current financial liabilities relate to amounts payable to King & Bay West Management Corp. ("King & Bay West"), a related party, which were subject to a deferral arrangement effective February 15, 2016. During the year ended March 31, 2017, the amounts payable to King & Bay West were reclassified to current liabilities as a result of financing completed during the year. Refer to "Related Party Transactions" for further detail.

**REVIEW OF FINANCIAL RESULTS**

**Results of Operations**

During the year ended March 31, 2017, the Company reported a loss from operations of \$1,490,472 (\$0.04 per share) compared to a loss from operations of \$170,608 (\$0.01 per share) for the prior year which represents an increase of \$1,319,864. The increase in net loss for the year ended March 31, 2017 is attributable to the completion of the Liberty Transaction and related increases in corporate and exploration activities.

During the year ended March 31, 2017, the Company incurred business development expenses in the amount of \$188,137 (March 31, 2016 - \$22,270). The increase in business development expenses for the year ended March 31, 2017 in the amount of \$165,867 is a result of the Company evaluating and completing due diligence procedures prior to closing the Liberty Transaction and the Angel Wing Property and subsequent investor relations activities. Business development expenses for the year ended March 31, 2017 included personnel costs, the cost of site visits and investor relation costs. During the year ended March 31, 2016, the Company incurred business development expenses in the amount of \$22,270 in connection with contemplating a reverse takeover transaction which was not completed.

Director fees remained consistent at \$4,000 for each of the years ended March 31, 2017 and 2016 and related to compensation paid to the Chair of the Audit Committee.

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During the year ended March 31, 2017, the Company incurred exploration and evaluation expenses of \$806,629 (March 31, 2016 - \$Nil) which related to the Liberty Gold and Angel Wing properties and included claim maintenance and staking of \$306,873 (March 31, 2016 - \$Nil), consulting of \$178,832 (March 31, 2016 - \$Nil), drilling of \$274,609 (March 31, 2016 - \$Nil), other costs of \$2,217 (March 31, 2016 - \$Nil) and travel costs of \$44,098 (March 31, 2016 - \$Nil). For additional detail and a breakdown of exploration and evaluation expenses on a property by property basis, refer to "Exploration and Evaluation Assets".

Office, rent and administration expenses increased by \$15,129 during the year ended March 31, 2017 compared to the prior year due to increased rent, insurance and software costs as a result of increased corporate and exploration activities.

During the year ended March 31, 2017, the Company incurred professional fees of \$25,055 (March 31, 2016 - \$18,819) which related to accounting, audit and legal fees. The increase in professional fees of \$6,236 for the year ended March 31, 2017 related to the Liberty Transaction.

During the year ended March 31, 2017, the Company recognized share-based payment expense of \$161,748 (March 31, 2016 - \$Nil) as a result of granting 2,800,000 stock options during the year.

Transfer agent and filing fees for the year ended March 31, 2017 in the amount of \$29,403 (March 31, 2016 - \$29,851) remained consistent with the previous period and related to regulatory costs to maintain a publicly traded company.

The Company incurred travel expenses for the year ended March 31, 2017 in the amount of \$14,014 (March 31, 2016 - \$Nil) and related to the attendance of officers at conferences during the year.

Wages and salaries for the year ended March 31, 2017 amounted to \$218,701 (March 31, 2016 - \$37,032). The increase in wages and salaries of \$181,669 incurred in the year ended March 31, 2017 is attributable to increased corporate activities to support business development and exploration activities.

During the year ended March 31, 2017, the Company recorded finance income in the amount of \$3,558 (March 31, 2016 - \$87) related to interest income earned or accrued from short term investments. The increase in finance income of \$3,471 for the year ended March 31, 2017 is explained by the increase in cash and cash equivalents balances subsequent to the Company completing equity financing during the year.

During the year ended March 31, 2017, the Company recorded a foreign exchange gain of \$12,676 (March 31, 2016 - \$97) as a result of foreign currency fluctuations and the impact on US dollar denominated cash and cash equivalents and transactions. The Company has experienced an increased number of US dollar denominated transactions as a result of exploring and evaluating properties, located in the US.

During the year ended March 31, 2017, the Company recorded a loss on settlement of debt in the amount of \$15,000 in relation to 1,000,000 common shares valued at \$115,000 which were issued to settle third party debt with a carrying value of \$100,000. The details of the debt settlement are summarized in "Share Capital".

During the year ended March 31, 2016, the Company recorded an impairment of exploration and evaluation assets in the amount of \$28,673 in relation to the Heidi and Shell Creek properties and capitalized reclamation costs.

The Company recorded an unrealized gain on marketable securities held during the year ended March 31, 2017 in the amount of \$4,097 (March 31, 2016 - \$2,840) as a result of year end fair value adjustments.

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**SUMMARY OF QUARTERLY RESULTS**

	<b>Q4</b> <b>March 31, 2017</b>	<b>Q3</b> December 31, 2016	<b>Q2</b> September 30, 2016	<b>Q1</b> June 30, 2016
Loss for the period	\$ (343,727)	\$ (594,428)	\$ (485,120)	\$ (67,197)
Loss per share (basic and diluted)	\$ (0.01)	\$ (0.01)	\$ (0.02)	\$ (0.00)

	<b>Q4</b> <b>March 31, 2016</b>	<b>Q3</b> December 31, 2015	<b>Q2</b> September 30, 2015	<b>Q1</b> June 30, 2015
Loss for the period	\$ (38,752)	\$ (31,090)	\$ (57,879)	\$ (42,887)
Loss per share (basic and diluted)	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)

During the quarters ended March 31, 2017, December 31, 2016 and September 30, 2016, the Company incurred increased losses as a result of increased corporate and exploration activities with respect to the Liberty Transaction subsequent to completing a private placement for gross proceeds of \$2,200,000. Prior to the second quarter of fiscal 2017, the Company maintained low levels of expenditures while searching for new opportunities. During the quarters ended September 30, 2015 and June 30, 2015, the Company recorded impairment of exploration and evaluation assets which explains the increased losses reported for those periods.

The Company expects that its loss will continue to be at elevated levels over the upcoming quarters as it continues to focus on its US properties, the associated property holding costs and work programs that will be undertaken on the properties.

**FOURTH QUARTER**

**Results of Operations**

During the three month period ended March 31, 2017, the Company reported a loss of \$343,727 or \$0.01 per share, compared to a loss of \$38,752 or \$Nil per share for the three month period ended March 31, 2016. The increase in net loss for the three month period ended March 31, 2017 is attributable to the execution of option agreements and related increases in corporate and exploration activities.

During the three month period ended March 31, 2017, the Company incurred business development expenses in the amount of \$92,581 (March 31, 2016 - \$8,598) as a result of the Company attending conferences, other investor relations activities and continuing to evaluate strategic opportunities.

Director fees remained consistent at \$1,000 for each of the three month periods ended March 31, 2017 and 2016. Director fees in the amount of \$1,000 per quarter are paid to the Chair of the Audit Committee.

During the three month period ended March 31, 2017, the Company incurred exploration and evaluation expenses of \$115,203 (March 31, 2016 - \$Nil) which related primarily to the Liberty Gold properties, which are detailed on a property by property basis under the heading "Exploration and Evaluation Assets".

Office, rent and administration expenses increased by \$7,946 during the three month period ended March 31, 2017 compared to the same period of the prior year due to increased rent, insurance and software costs as a result of increased corporate and exploration activities.

During the three month period ended March 31, 2017, the Company incurred professional fees of \$4,388 (March 31, 2016 - \$4,375) which related to accounting and audit fees.

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During the three month period ended March 31, 2017, the Company recognized share-based payment expense of \$47,960 (March 31, 2016 - \$Nil) as a result of granting 2,800,000 stock options in August 2016.

Transfer agent and filing fees for the three month period ended March 31, 2017 in the amount of \$4,072 (March 31, 2016 - \$6,710) decreased slightly by \$2,638 and related to regulatory costs to maintain a publicly traded company.

Wages and salaries for the three month period ended March 31, 2017 amounted to \$51,057 (March 31, 2016 - \$10,225), representing an increase of \$40,832 which related to increased corporate activities to support business development and exploration activities.

During the three month period ended March 31, 2017, the Company recorded finance income in the amount of \$960 (March 31, 2016 - \$20) related to interest income earned or accrued from short term investments. The increase in finance income of \$940 for the three month period ended March 31, 2017 is explained by the increase in cash and cash equivalents balances subsequent to the Company completing equity financing in August 2016.

During the three month period ended March 31, 2017, the Company recorded a foreign exchange loss of \$3,390 (March 31, 2016 - \$99) as a result of foreign currency fluctuations and the impact on US dollar denominated cash and cash equivalents and transactions. The Company has experienced an increased number of US dollar denominated transactions as a result of exploring and evaluating properties located in the US.

The Company recorded an unrealized loss on marketable securities held during the three month period ended March 31, 2017 in the amount of \$404 (March 31, 2016 – gain of \$641) as a result of period end fair value adjustments.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Cash Flows**

As at March 31, 2017, the Company had cash and cash equivalents of \$740,562 (March 31, 2016 - \$163,224) and working capital of \$422,936 (March 31, 2016 - \$40,703). The increase in working capital of \$382,233 is due to the Company completing a private placement and settling accounts payable by issuing common shares during the year ended March 31, 2017, as discussed in "Share Capital". The increase in cash and cash equivalents and decrease in accounts payable were partially offset by the reclassification of certain amounts due to King & Bay West from non-current liabilities to current liabilities, as discussed in "Related Party Transactions". Current assets and liabilities are further detailed in "Statement of Financial Position Information".

At present the Company has no producing properties and consequently has no current operating income or cash flows. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. See "Risk Factors".

During the year ended March 31, 2017, the Company completed a private placement for gross proceeds of \$2,200,000. The Company is required to spend US\$1 million (including the reimbursement of holding costs to Liberty Gold) in exploration expenditures on the Liberty Gold properties by August 18, 2017. With the completion of the private placement, management believes the Company has sufficient funds to meet its administrative overhead costs, planned initial exploration programs and required maintenance expenditures on its exploration and evaluation assets to such date. These expenditures are expected to enable the Company to satisfy its requirements to earn a 51% interest in the Selected Properties. The Company will require additional funding beyond such time to continue exploration activities on the Selected Properties and for administrative overhead expenditures and working capital purposes.

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The Company's cash flows for the years ended March 31, 2017 and 2016 are summarized as follows:

	<b>March 31, 2017</b>	<b>March 31, 2016</b>
Cash used in operating activities	\$ (1,560,880)	\$ (89,968)
Cash used in investing activities	(23,255)	(84,673)
Cash provided by financing activities	2,161,026	-
Change in cash and cash equivalents during the year	576,891	(174,641)
Effect of foreign exchange on cash and cash equivalents	447	-
Cash and cash equivalents, beginning of the year	163,224	337,865
<b>Cash and cash equivalents, end of the year</b>	<b>\$ 740,562</b>	<b>\$ 163,224</b>

Operating Activities

Cash used in operating activities adjusts loss for the year for non-cash items including, but not limited to, impairment of assets, loss on settlement of debt, share-based payments and unrealized gains and losses. Cash used in operating activities also reflects changes in working capital items, such as amounts receivable, prepaid expenses and amounts payable, which fluctuate in a manner that does not necessarily reflect predictable patterns for the overall use of cash, the generation of which depends almost entirely on sources of external financing to fund operations.

The increase in cash used in operating activities for the year ended March 31, 2017 compared to the prior year is directly attributable to the increased loss for the year, as discussed in detail in "Review of Financial Results".

Investing Activities

Cash used in investing activities for the year ended March 31, 2017 amounted to \$23,255 which consisted of a reclamation bond purchased for the Liberty Gold properties.

Cash used in investing activities for the year ended March 31, 2016 amounted to \$84,673 which consisted of reclamation costs with respect to the Heidi and Shell Creek properties.

Financing Activities

Cash provided by financing activities for the year ended March 31, 2017 amounted to \$2,161,026 which consisted of the issuance of common shares for gross proceeds of \$2,200,000, net of cash share issue costs in the amount of \$38,974.

There was no cash provided by or used in financing activities for the year ended March 31, 2016.

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**STATEMENT OF FINANCIAL POSITION INFORMATION**

	<b>As at March 31, 2017</b>	<b>As at March 31, 2016</b>
Cash and cash equivalents	\$ 740,562	\$ 163,224
Marketable securities	8,077	3,980
Amounts receivable	8,990	1,774
Prepaid expenses	188,264	6,728
Deposits	11,500	11,500
Exploration and evaluation assets	540,749	-
Reclamation bond	23,496	-
<b>Total Assets</b>	<b>\$ 1,521,638</b>	<b>\$ 187,206</b>
Accounts payable and accrued liabilities	\$ 69,304	\$ 122,320
Due to related parties	453,653	521,637
Capital stock	18,677,052	15,914,457
Other equity reserves	1,604,881	1,443,133
Accumulated other comprehensive income	21,561	-
Deficit	(19,304,813)	(17,814,341)
<b>Total Liabilities and Equity (Deficiency)</b>	<b>\$ 1,521,638</b>	<b>\$ 187,206</b>

**Assets**

Cash and cash equivalents increased by \$577,338 during the year ended March 31, 2017 as a result of completing a private placement for net proceeds of \$2,161,026 which funded operating and investing activities, as described in detail in "Liquidity and Capital Resources".

During the year ended March 31, 2017, marketable securities increased by \$4,097 as a result of fair value adjustments at year end for common shares of First Mining Finance Corp. and Inform Resources Corp. held by the Company. There were no additions to or disposals of marketable securities during year ended March 31, 2017.

Amounts receivable increased by \$7,216 during the year ended March 31, 2017 as a result of GST input tax credits paid, net of GST refunds received, and accrued interest income on short term investments.

During the year ended March 31, 2017, prepaid expenses increased by \$181,536 in relation to annual insurance premiums, software licenses and claim maintenance for the Liberty Gold properties, net of amortization.

There was no change in the balance of deposits during the year ended March 31, 2017. The deposits are held in relation to the Company's corporate credit card.

During the year ended March 31, 2017, exploration and evaluation assets increased by \$540,749 as a result of the Company issuing 4,231,037 common shares of the Company valued at \$486,569 in accordance with the Liberty Transaction, accruing \$33,307 in accordance with the Angel Wing Property and the effect of foreign currency translation of \$20,873. Refer to "Exploration and Evaluation Assets".

During the year ended March 31, 2017, the Company purchased a reclamation bond in the amount of US\$17,636 related to the Liberty Gold properties. As of March 31, 2017, the reclamation bond had a carrying value of \$23,496.

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**Liabilities**

Accounts payable and accrued liabilities decreased by \$53,016 during the year ended March 31, 2017, as a result of issuing 1,000,000 common shares of the Company to settle amounts due to a third party with a carrying value of \$100,000, as discussed in "Share Capital". This debt settlement was partially offset by additional amounts payable as the Company's corporate and exploration activities increased during the year.

As at March 31, 2017, accounts payable and accrued liabilities include an accrual for acquisition costs with respect to the Angel Wing Property in the amount of \$33,307 which represents the advance minimum royalty payment due on March 13, 2017 in the amount of US\$25,000. The payment was made subsequent to the year ended March 31, 2017.

During the year ended March 31, 2017, the amounts due to related parties decreased by \$67,984 due to the Company applying partial payments to outstanding balances, net of continued monthly services and shared facilities provided by King & Bay West. Refer to "Related Party Transactions" for further discussion of related party balances and transactions.

**Equity**

During the year ended March 31, 2017, capital stock increased by \$2,762,595 as a result of completing a private placement and issuing common shares for debt and exploration and evaluation properties, net of share issue costs. Refer to "Share Capital" for additional detail.

Other equity reserves increased by \$161,748 during the year ended March 31, 2017 due to share-based payment expense related to stock options granted during the year.

As of March 31, 2017, the balance of accumulated other comprehensive income in the amount of \$21,561 relates to the foreign currency translation of Logan USA which was incorporated during the year.

Deficit increased by the loss for the year ended March 31, 2017 in the amount of \$1,490,472.

**SHARE CAPITAL**

The Company's authorized capital consists of an unlimited number of common shares without par value, and it has securities outstanding as follows:

<b>Security Description</b>	<b>March 31, 2017</b>	<b>Date of report</b>
Common shares	42,737,750	42,737,750
Director, employee and contractor options	2,800,000	2,800,000
Warrants to purchase shares	22,000,000	22,000,000
<b>Fully diluted shares</b>	<b>67,537,750</b>	<b>67,537,750</b>

The Company issued the following common shares during the year ending March 31, 2017:

On August 3, 2016, the Company completed a private placement and issued 22,000,000 units for gross proceeds of \$2,200,000. Each unit consists of one common share and one common share purchase warrant. Each warrant is exercisable to acquire one common share until August 3, 2019 at an exercise price of \$0.30. The Company issued 402,500 common shares valued at \$46,288 for finders' fees and paid share issue costs in the amount of \$38,974 in connection with the private placement.

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On August 3, 2016, the Company issued 1,000,000 common shares valued at \$115,000 to settle amounts payable to a third party in the amount of \$100,000, resulting in a loss on settlement of debt of \$15,000.

On August 18, 2016, the Company issued 4,231,037 common shares valued at \$486,569 and equal to 9.9% of the issued and outstanding common shares of the Company, in accordance with the Liberty Transaction.

There were no common share issuances during the year ended March 31, 2016.

**RELATED PARTY TRANSACTIONS**

Related parties and related party transactions impacting the accompanying audited consolidated financial statements are summarized below and include transactions with the following individuals or entities:

**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.

Remuneration attributed to key management personnel can be summarized as follows:

	Years Ended March 31,	
	2017	2016
Short-term benefits <sup>(1)</sup>	\$ 125,346	\$ 13,737
Share-based payments	131,421	-
Total	\$ 256,767	\$ 13,737

(1) Includes director fees and base salaries, pursuant to contractual employment or consultancy arrangements:

- Year ended March 31, 2017: King & Bay West - \$46,919; Mr. Richard Grayston, Director - \$4,000; Dr. Craig Bow, Vice President of Exploration - \$74,427
- Year ended March 31, 2016: King & Bay West - \$9,737; Mr. Richard Grayston, Director - \$4,000

**Other related parties**

King & Bay West Management Corp.: King & Bay West is an entity that is owned by Mr. Mark J. Morabito, a director and officer of the Company, and employs or retains certain directors, officers and consultants of the Company. King & Bay West provides administrative, management, geological, regulatory, accounting, legal, corporate development and corporate communications services to the Company. These services are provided to the Company on an as-needed basis and are billed based on the cost or value of the services provided to the Company. The fees are consistent with what King & Bay West charges its clients for similar services. The amount set out below represents amounts paid or accrued for King & Bay West services, personnel and overhead and third party costs incurred by King & Bay West on behalf of the Company.

During the year ended March 31, 2017, transactions entered into with King & Bay West, other than key management personnel, amounted to \$290,559 (March 31, 2016 - \$62,260).

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As of March 31, 2017, amounts due to related parties include amounts payable to King & Bay West of \$444,913 (March 31, 2016 - \$521,637) which consist of current and non-current amounts payable of \$444,913 (March 31, 2016 - \$12,683) and \$Nil (March 31, 2016 - \$508,954), respectively. The current amount payable to King & Bay West is non-interest bearing, unsecured, and has no fixed terms for payment. The non-current amount payable to King & Bay West as of March 31, 2016 related to a deferral arrangement between the Company and King & Bay West which deferred amounts payable to King & Bay West in the amount of \$508,954 by two years, subject to early repayment in the event the Company undergoes a change of control or completes a financing for no less than \$1,000,000 in gross proceeds. During the year ended March 31, 2017, the Company completed a private placement for gross proceeds of \$2,200,000, and accordingly the balance was reclassified to current liabilities.

As of March 31, 2017, amounts due to related parties include an amount payable to the Vice President of Exploration of the Company in the amount of \$8,740 (March 31, 2016 - \$Nil) for consulting services. The amount payable is non-interest bearing, unsecured, and has no fixed terms for payment.

Transactions with related parties were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed by the related parties.

#### **CRITICAL ACCOUNTING ESTIMATES**

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, equity, income, expenses and the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

##### Critical Judgments

The preparation of financial statements requires management to make judgments regarding the going concern of the Company, as discussed in Note 1 of the accompanying audited consolidated financial statements.

##### Key Sources of Estimation Uncertainty

Because a precise determination of many assets and liabilities is dependent upon future events, the preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting periods. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the accompanying audited consolidated financial statements include:

##### *Deferred tax assets and liabilities*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets and liabilities 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 and liabilities will not be realized. The ultimate realization of deferred tax assets and liabilities is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, development and commercialization of mineral reserves. 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 or liabilities, and deferred income tax provisions or recoveries could be affected.

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*Exploration and evaluation assets*

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

*Share-based payments*

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option or warrant, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

**ACCOUNTING POLICIES**

For a complete summary of the Company's accounting policies and new accounting standards to be adopted, see Note 3 of the accompanying audited consolidated financial statements for the year ended March 31, 2017.

**RISK FACTORS**

The exploration of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Certain of the more immediate risk factors are listed below:

**Exploration, Evaluation and Development**

Mineral exploration, evaluation and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There is no assurance that the Company's mineral exploration and evaluation activities will result in any discoveries of new bodies of commercial ore. There is also no assurance that presently identified mineralization can be mined at a profit. Discovery of mineral deposits is dependent upon a number of factors and significantly influenced by the technical skill of the exploration personnel involved.

The commercial viability of a mineral deposit is also dependent upon a number of factors, some of which are beyond the Company's control such as, commodity prices, exchange rates, government policies and regulation and environmental protection.

**Financing**

The Company does not currently have any operations generating cash to fund projected levels of exploration and evaluation activity and associated overhead costs. The Company is therefore dependent upon debt and equity financing to carry out its exploration and evaluation plans. There can be no assurance that such financing will be available to the Company. In the future, the Company will require additional funding to maintain its mineral properties in good standing. The lack of additional financing could result in delay or indefinite postponement of further exploration and possible, partial, or total loss of the Company's interest in its exploration and evaluation assets.

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**Commodity Price Volatility**

The market prices for commodities are volatile. The Company does not have any control over such prices or volatility. There is no assurance that if commercial quantities of mineralization are discovered a profitable market will exist for a production decision to be made or for the ultimate sale of production at a profit. As the Company is currently not in production, no sensitivity analysis for price changes has been provided.

**The Company has a history of losses and expects to incur losses for the foreseeable future**

The Company has incurred losses since its inception and expects to incur losses for the foreseeable future. The Company expects to continue to incur losses unless and until such time as one of its mineral projects enters into commercial production and generates sufficient revenues to fund continuing operations. The exploration and development of a mineral project will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration, evaluation and development, the results of consultant analysis and recommendations, the rate at which operating losses are incurred, the execution of any agreements with strategic partners and our acquisition of additional properties. Some of these factors are beyond the Company's control. There can be no assurance that the Company will ever achieve profitability.

**Share Price Volatility**

In recent years, the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market prices of securities of many companies have experienced wide fluctuations that have not been necessarily related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that fluctuations in the Company's share price will not occur. It may be anticipated that any quoted market for our common shares will be subject to market trends generally, notwithstanding any potential success in creating revenues, cash flows or earnings. The value of the Company's common shares will be affected by such volatility.

**OFF-BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements.

**FINANCIAL INSTRUMENTS**

The fair value of the Company's amounts receivable, deposits, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying value, the amount presented on the statements of financial position, due to their short-term maturities or ability of prompt liquidation. Cash and cash equivalents and marketable securities are measured at fair value based on level one quoted prices in active markets for identical assets or liabilities under the fair value hierarchy. The reclamation bond is measured at amortized cost.

The Company is exposed in varying degrees to a variety of financial instrument related risks.

**Credit risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents and amounts receivable. The risk arises from the non-performance by counterparties of contractual financial obligations. To minimize credit risk, the Company places cash and cash equivalents with high credit quality financial institutions. The Company's policy is to invest excess cash in investment-grade short-term deposit certificates issued by reputable financial institutions with which it keeps its bank accounts. Amounts receivable consist of input tax credits due from the Government of Canada and as such are exposed to insignificant credit risk.

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**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's approach to managing liquidity risk is to provide reasonable assurance that it has sufficient capital to meet short-term financial obligations after taking into account its exploration obligations and cash on hand. The Company believes it has sufficient cash and cash equivalents to settle accounts payable and accrued liabilities but not amounts owing to related parties. In the next twelve months, the Company will need additional funding to continue exploration activities and for administrative overhead costs and working capital purposes.

**Market risk**

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, commodity and equity prices and foreign exchange rates.

Interest rate risk

The Company has cash and cash equivalents balances and no interest bearing debt. The interest earned on cash and cash equivalents approximates fair value rates and therefore the Company is not at a significant risk to fluctuating interest rates.

Price risk

The Company is exposed to price risk with respect to its investments in publicly traded securities. The Company closely monitors those prices to determine the appropriate course of action to be taken by the Company. There can be no assurance that the Company can exit these positions, if required, resulting in proceeds approximating the carrying value of these securities.

The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's ability to raise capital to fund exploration and evaluation activities is subject to risks associated with fluctuations in the market price of gold and precious metals. The Company closely monitors commodity prices and marketable securities to determine the appropriate course of action to be taken.

Currency risk

During the year ended March 31, 2017, the Company entered into option agreements with respect to properties located in the United States for which expenditures will be incurred in US dollars, exposing the Company to currency risk. The Company's recent financing was in Canadian dollars but any future equity raised may be in either US dollars or Canadian dollars. Approximately 40% of the Company's cash and cash equivalents are held in US dollar bank accounts as of March 31, 2017. A 10% change in the Canadian dollar versus the US dollar would affect the loss of the Company by approximately \$30,000.

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**SUBSEQUENT EVENT**

The following event occurred subsequent to the year ended March 31, 2017:

- On April 11, 2017, the Company paid the advance royalty payment in the amount of US\$25,000 with respect to the Angel Wing Property which was accrued as of March 31, 2017.

**ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com).

**APPROVAL**

The Board of Directors of Logan Resources Ltd. has approved the disclosure contained in this MD&A.