LOGAN RESOURCES LTD

(An Exploration Stage Company)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2015

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Logan Resources Ltd.

We have audited the accompanying financial statements of Logan Resources Ltd., which comprise the statements of financial position as at March 31, 2015 and 2014 and the statements of operations and comprehensive loss, changes in equity (deficiency), and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 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.

1200 - 609 Granville Street, P.O. Box 10372, Pacific Centre, Vancouver, B.C., Canada V7Y 1G6
Telephone (604) 687-0947 Fax (604) 687-6172

Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Logan Resources Ltd. as at March 31, 2015 and 2014 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 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 AND COMPANY"
Chartered Professional Accountants

Vancouver, Canada

July 22, 2015

LOGAN RESOURCES LTD.

(An Exploration Stage Company)

STATEMENTS OF FINANCIAL POSITION

AS AT

(Expressed in Canadian Dollars)

	March 31, 2015	March 31, 2014
ASSETS		
CURRENT ASSETS		
Cash	**$ 337,865**	$ 368,320
Marketable securities (Note 4)	**1,140**	2,842
Amounts receivable	**1,167**	1,218
Prepaid expenses	**6,742**	7,210
	346,914	379,590
DEPOSITS (Note 5)	**11,500**	11,500
EXPLORATION AND EVALUATION ASSETS (Note 6)	**-**	4,030
	$ 358,414	$ 395,120
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	**$ 142,517**	$ 86,955
Due to related party (Note 8)	**446,040**	373,613
Provision for future reclamation costs (Note 6)	**56,000**	-
	644,557	460,568
DEFICIENCY		
CAPITAL STOCK (Note 7)	**15,914,457**	15,914,457
OTHER EQUITY RESERVES (Note 7)	**1,443,133**	1,443,133
DEFICIT	**(17,643,733)**	(17,423,038)
	(286,143)	(65,448)
	$ 358,414	$ 395,120

Nature of operations and going concern (Note 1)
Subsequent event (Note 13)

Approved on July 22, 2015 on behalf of the Board of Directors:

Signed: "Stewart Wallis"

Signed: "Richard Grayston"

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

LOGAN RESOURCES LTD.

(An Exploration Stage Company)

STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Years ended March 31, 2015		2014	
EXPENSES				
Business development	**$**	**3,931**	$	10,419
Consultants		**-**		34,853
Director fees (Note 8)		**4,000**		4,000
Exploration and evaluation (Note 6)		**7,157**		33,555
Office, rent and administration		**34,467**		58,729
Professional fees		**49,350**		95,346
Transfer agent and filing fees		**19,547**		17,743
Wages and salaries (Note 8)		**42,338**		118,354
Finance income		**(144)**		(586)
Foreign exchange loss (gain)		**(468)**		170
Impairment of exploration and evaluation assets (Note 6)		**58,815**		218,848
Unrealized loss on marketable securities (Note 4)		**1,702**		2,658
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	**$**	**(220,695)**	$	(594,089)
BASIC AND DILUTED LOSS PER SHARE	**$**	**(0.01)**	$	(0.04)
BASIC AND DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING		**15,104,213**		15,095,172

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

LOGAN RESOURCES LTD.

(An Exploration Stage Company)

STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars)

	Years Ended March 31, 2015		2014
Operating activities:			
Loss for the year	**$**	**(220,695)**	$ (594,089)
Item not affecting cash:			
Impairment of exploration and evaluation assets		**58,815**	218,848
Unrealized loss on marketable securities		**1,702**	2,658
Net change in non-cash working capital items:			
Amounts receivable		**51**	32,243
Prepaid expenses		**468**	(2,390)
Accounts payable and accrued liabilities		**55,562**	26,379
Due to related party		**72,427**	(47,560)
Cash used in operating activities		**(31,670)**	(363,911)
Investing activities:			
Government tax credit received for exploration and evaluation assets		**1,215**	3,789
Decrease in cash during the year		**(30,455)**	(360,122)
Cash, beginning of the year		**368,320**	728,442
Cash, end of the year	**$**	**337,865**	$ 368,320
Non-cash investing and financing activities:			
Issuance of common shares for property options	**$**	**-**	$ 2,500

There was no cash paid for interest or income taxes for the years ended March 31, 2015 or 2014.

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

LOGAN RESOURCES LTD.

(An Exploration Stage Company)

STATEMENT OF CHANGES IN EQUITY (DEFICIENCY)

FOR THE YEARS ENDED MARCH 31, 2015 AND 2014

(Expressed in Canadian Dollars)

	CAPITAL STOCK				OTHER EQUITY				
	NUMBER		AMOUNT		RESERVES		DEFICIT		TOTAL
Balance, March 31, 2013	**15,054,213**	**$**	**15,911,957**	**$**	**1,443,133**	**$**	**(16,828,949)**	**$**	**526,141**
Exploration and evaluation asset acquisition (Notes 6 and 7)	50,000		2,500		-		-		2,500
Loss for the year	-		-		-		(594,089)		(594,089)
Balance, March 31, 2014	**15,104,213**		**15,914,457**		**1,443,133**		**(17,423,038)**		**(65,448)**
Loss for the year	-		-		-		(220,695)		(220,695)
Balance, March 31, 2015	**15,104,213**	**$**	**15,914,457**	**$**	**1,443,133**	**$**	**(17,643,733)**	**$**	**(286,143)**

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

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") and is in the business of acquiring, exploring and evaluating mineral resource interests. 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 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.

The Company had a working capital deficiency of $297,643 as at March 31, 2015 (March 31, 2014 – $80,978), incurred a loss of $220,695 during the year ended March 31, 2015 (March 31, 2014 – $594,089) and had an accumulated deficit of $17,643,733 as at March 31, 2015 (March 31, 2014 – $17,423,038) which has been funded primarily by the issuance of equity.

These 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. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. 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 that the entity will continue as a going concern.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

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

Basis of measurement

The 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 or available-for-sale, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The financial statements are presented in Canadian dollars, unless otherwise stated, which is the Company's functional currency.

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

Critical accounting estimates and judgments

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 these 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

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 years. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the 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.

Recoverability of 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.

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, with a maturity of three months or less at the time of issuance to be cash equivalents. As at March 31, 2015 and 2014, the Company has no cash equivalents on hand.

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 and equipment, 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 the decommissioning of plant and other site preparation work 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.

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 net income except to the extent that it relates to a business combination or items recognized directly in equity or in other comprehensive income (loss).

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 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 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.

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 the statement of operations and comprehensive loss. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (loss), 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 marketable securities as fair value through profit or loss. The Company's amounts receivable is 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 deposits 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 date (unobservable inputs).

See Note 12 for relevant disclosures.

Foreign currency translation

The functional currency is the currency of the primary economic environment in which the Company operates and has been determined to be the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period the monetary assets and liabilities of the Company 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. Revenues 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 the statement of operations and comprehensive loss.

Comprehensive income (loss)

Comprehensive income (loss) is the change in the Company's equity that results from transactions and other events from other than the Company's shareholders and includes items that would not normally be included in net earnings, such as unrealized gains and losses on available-for-sale investments. Gains and losses that would otherwise be recorded as part of net earnings are presented in "accumulated other comprehensive income (loss)" until it is considered appropriate to recognize into net earnings. For the years presented, loss is the same as comprehensive loss.

(Expressed in Canadian Dollars)

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

Adoption of New Standards and Interpretations, and Recent Accounting Pronouncements

Effective April 1, 2014, the following standard was adopted but had no material impact on the financial statements:

- IAS 32 (Amendment): Standard amended to clarify requirements for offsetting financial assets and financial liabilities, effective for annual periods beginning on or after January 1, 2014.

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, 2015. The following standards have not yet been adopted by the Company and are being evaluated to determine their impact:

- IFRS 7: Amended to require additional disclosures on transition from IAS 39 and IFRS 9, effective for annual periods beginning on or after January 1, 2015.

- 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 Coastal Gold Corp. (formerly "Ridgemont Iron Ore Corp.") and Inform Resources Corp., both TSX-Venture Exchange listed companies. The shares were issued to the Company as part of option agreements on the Company's Redford and Heidi properties (Note 6).

		Coastal Gold Corp.		**Inform Resources Corp.**		**Total**
Cost, March 31, 2014 and 2015	$	40,000	$	32,500	$	72,500
Adjustment to fair value, March 31, 2013	$	(38,000)	$	(29,000)	$	(67,000)
Fair value adjustment for the year		(221)		(2,437)		(2,658)
Adjustment to fair value, March 31, 2014		(38,221)		(31,437)		(69,658)
Fair value adjustment for the year		(889)		(813)		(1,702)
Adjustment to fair value, March 31, 2015	$	(39,110)	$	(32,250)	$	(71,360)
Fair Value at March 31, 2014	$	1,779	$	1,063	$	2,842
Fair Value at March 31, 2015	$	890	$	250	$	1,140

5. DEPOSITS

As at March 31, 2015, the Company had $11,500 (March 31, 2014 – $11,500) as a deposit for a corporate credit card.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

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

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 detailed as follows:

	Chuchi	Heidi	Shell Creek	Total
Acquisition costs as at March 31, 2013	$ 5,319	$ -	$ 218,848	$ 224,167
Additions	2,500	-	-	2,500
Government tax credit	(3,789)	-	-	(3,789)
Impairment	-	-	(218,848)	(218,848)
Acquisition costs as at March 31, 2014	4,030	-	-	4,030
Future reclamation costs	-	34,000	22,000	56,000
Government tax credit	(1,215)		-	(1,215)
Impairment	(2,815)	(34,000)	(22,000)	(58,815)
Acquisition costs as at March 31, 2015	$ -	$ -	$ -	$ -

The Company's policy is to capitalize estimated future reclamation costs directly to the related asset. As the Company has no intentions to further develop the Heidi and Shell Creek properties, impairment losses in the amount of $34,000 and $22,000 respectively were recorded during the year ended March 31, 2015.

The following table represents exploration expenditures incurred during the year ended March 31, 2015:

	Chuchi	Heidi	Shell Creek	Total
Licenses and permits	$ 7,157	$ -	$ -	$ 7,157

The following table represents exploration expenditures incurred during the year ended March 31, 2014:

	Chuchi	Idaho Gold	Total
Accommodation and meals	$ -	$ 2,264	$ 2,264
Licenses and permits	4,048	-	4,048
Miscellaneous	-	1,980	1,980
Transportation	-	6,346	6,346
Wages	-	18,917	18,917
	$ 4,048	$ 29,507	$ 33,555

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

Carswell Property (Saskatchewan)

In fiscal 2005, the Company staked claims on the Carswell Dome Formation, Saskatchewan. Pursuant to a series of option agreements, the Company transferred 80% of its holdings in these claims to a third party, Alpha Minerals Inc. (formerly ESO Uranium Corp.). Subsequently, these properties were transferred to Alpha Exploration ("Alpha") as a result of a plan of arrangement between Alpha Minerals Inc. and Fission Uranium Corp.

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. If the property reaches a good standing of less than 2 years and no bankable feasibility has been delivered to the Company, the property will automatically revert back to the Company.

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% net smelter returns royalty.

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

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

The Heidi Property consists of mineral claims in the Dawson Mining District and the Mayo Mining District, Yukon Territory. During fiscal 2008, the Company earned a 100% interest in the property, with certain claims subject to a 2% net smelter return ("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 the purchase of the remaining 50%.

From October 7, 2011 to October 2, 2013, the Heidi Property was optioned to Inform Resources Corp. ("Inform") whereby Inform could acquire up to an 80% title and interest in the Heidi Property. During the option period, the Company received $25,000 in cash and 100,000 common shares of Inform (Note 4).

During the year ended March 31, 2015, the Company recorded a provision for future reclamation costs in the amount of $34,000 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 of $34,000 was recorded as of March 31, 2015.

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

The Company owns a 100% interest in mineral claims in the Alberni Mining Division, B.C.

In July 2010, the Company signed an option agreement with Ridgemont Iron Ore Corp. ("Ridgemont") whereby Ridgemont could acquire up to 75% of the Company's 100% interest in the Redford Property on Vancouver Island, British Columbia by making certain cash payments and common share issuances and incurring specified exploration expenditures.

During the year ended March 31, 2013, this option agreement relating to the Redford property between the Company and Ridgemont was terminated. As a result, the Company retains a 100% interest in the Redford Property. The Company has no immediate plans to continue to explore the Redford Property.

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

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

Prior to the termination of the option agreement relating to the Redford Property:

a) The Company received cash payments as follows:

   i) $25,000 for a non-refundable deposit upon execution of the letter of intent;
   ii) $50,000 upon acceptance of the option agreement by the TSX Venture Exchange; and
   iii) $50,000 on or before November 22, 2011.

b) Ridgemont met the following exploration expenditures on the Redford Property:

   i) $750,000 spent on or before November 22, 2011; and
   ii) $1,750,000 spent in aggregate on or before November 22, 2012.

c) The Company received 100,000 common shares of Ridgemont on or before November 22, 2011 (Note 4).

Shell Creek Property (Dawson Mining District, Yukon Territory)

The Shell Creek Property consists of mineral claims in the Dawson Mining District, Yukon Territory. Certain claims were acquired pursuant to an option agreement and are subject to a 2% NSR. During fiscal 2008, the Company earned a 100% interest in the property. 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 the purchase of the remaining 50%.

The Company has no immediate plans to continue to explore the Shell Creek Property. As a result, the Company recorded an impairment loss in the amount of $218,848 during the year ended March 31, 2014 in relation to the Shell Creek Property.

During the year ended March 31, 2015, the Company recorded a provision for future reclamation costs in the amount of $22,000 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 of $22,000 was recorded as of March 31, 2015.

Chuchi Property (Omineca Mining Division, British Columbia)

During the year ended March 31, 2012, the Company entered into an option agreement (the "Chuchi Option Agreement") with Equity Exploration Consultants Ltd. ("Equity Exploration") whereby Equity Exploration granted the Company the option to acquire up to a 100% interest in the Chuchi Property, located in the Omineca Mining Division of British Columbia. The Chuchi Option Agreement with Equity Exploration was amended on May 31, 2013.

During the year ended March 31, 2015, the Chuchi Option Agreement was terminated and the Company recorded an impairment loss in the amount of $2,815.

Prior to the termination of the Chuchi Option Agreement, the Company had the option to earn a 100% interest in the Chuchi Property which could be exercised by:

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

Chuchi Property (Omineca Mining Division, British Columbia) *(continued)*

a) Making cash payments to Equity Exploration totalling $260,000 as follows:

   i) $10,000 on June 2, 2011 (paid);
   ii) $125,000 on December 1, 2015; and
   iii) $125,000 on or before December 1, 2016;

b) Issuing a total of 362,500 common shares of the Company to Equity Exploration as follows:

   i) 6,250 shares on June 10, 2011 (issued);
   ii) 6,250 shares on or before June 2, 2012 (issued);
   iii) 50,000 shares on or before June 5, 2013 (issued);
   iv) 50,000 shares on or before December 1, 2014;
   v) 50,000 shares on or before December 1, 2015;
   vi) 100,000 shares on or before December 1, 2016; and
   vii) 100,000 shares on or before December 1, 2017.

c) Incurring exploration expenditures totalling $3,650,000 as follows:

   i) $150,000 in exploration expenditures on or before June 2, 2012 (incurred);
   ii) $500,000 in exploration expenditures on or before December 1, 2014;
   iii) $1,000,000 in exploration expenditures on or before December 1, 2015;
   iv) $1,000,000 in exploration expenditures on or before December 1, 2016; and
   v) $1,000,000 in exploration expenditures on or before December 1, 2017.

The Company appointed Equity Exploration to carry out the exploration work on the property. The Chuchi Option Agreement also included a 3% net smelter royalty payable to Equity Exploration.

Idaho Gold Property (North-Central Idaho, USA)

During the year ended March 31, 2013, the Company entered into an option agreement (the “Idaho Gold Option Agreement”) with Premium Exploration Inc. (“Premium Exploration”) whereby Premium Exploration granted the Company the option to acquire up to a 75% interest in the Idaho Gold Property, located in North-Central Idaho.

The Idaho Gold Option Agreement was terminated on June 13, 2013.

Provision for Future Reclamation Costs

As of March 31, 2015, the Company has recorded a provision for future reclamation costs in the amount of $56,000 (March 31, 2014 - $Nil) in relation to estimated costs to clean up the Heidi and Shell Creek properties. The undiscounted amount of the estimated cash flows required to settle the obligation is approximately $56,000 (March 31, 2014 - $Nil). The reclamation is expected to be incurred in the short-term; and therefore the provision in the amount of $56,000 represents the discounted cash flows of the obligation.

7. CAPITAL STOCK AND OTHER EQUITY RESERVES

Share Issuances

Authorized

Unlimited number of common shares without par value

(Expressed in Canadian Dollars)

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

Share Issuances *(continued)*

There were no common share issuances during the year ended March 31, 2015.

The Company issued the following common shares during the year ended March 31, 2014:

a) The Company issued 50,000 common shares valued at $2,500 in relation to the Chuchi Option Agreement (Note 6).

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 stock option 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 options grants, at the discretion of the directors.

As at March 31, 2015 and 2014, no stock options were outstanding or exercisable.

No share-based payments expense was recognized for stock options during the years ended March 31, 2015 or 2014 as no stock options were granted or had vested during those years.

Share Purchase Warrants

The following table summarizes the continuity of the Company's share purchase warrants outstanding:

	Number of Share Purchase Warrants	Weighted Average Exercise Price
Outstanding, March 31, 2013 and 2014	5,435,600	$0.20
Expired	(5,435,600)	$0.20
Outstanding, March 31, 2015	-	-

During the year ended March 31, 2013, the Company issued 5,435,600 share purchase warrants with an exercise price of $0.20 which expired on September 4, 2014. Of these share purchase warrants, 435,600 were agents' warrants.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the 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, 2015	2014
Short-term benefits [1]	$ 13,738	$ 32,511

[1] Includes director fees and base salaries, pursuant to contractual employment or consultancy arrangements.

Other Related Parties

King & Bay West Management Corp. ("King & Bay West"): King & Bay West is an entity that is owned by a former director and employs or retains certain directors, officers and consultants of the Company. King & Bay West provided administrative, management, geological, regulatory, tax, 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, 2015, transactions entered into with King & Bay West, other than key management personnel, amounted to $59,240 (March 31, 2014 - $158,460).

As of March 31, 2015, the amount due to related party consists of $446,040 (March 31, 2014 - $373,613) payable to King & Bay West. The amount due to King & Bay West is non-interest bearing, unsecured, and has no fixed terms for payment.

9. INCOME TAXES

The reconciliation of the combined Canadian federal and provincial income tax rate to the income tax recovery presented in the accompanying statements of operations and comprehensive loss is provided below.

	Years ended March 31, 2015	2014
Accounting loss before income taxes	$ (220,695)	$ (594,089)
Combined federal and provincial statutory tax rate	26%	26%
Income tax recovery at statutory rates	$ (57,000)	$ (154,000)
Other	82,000	(209,000)
Share issue costs	-	(11,000)
Change in unrecognized deductible temporary differences	(25,000)	374,000
Total	$ -	$ -

(Expressed in Canadian Dollars)

9. INCOME TAXES *(continued)*

Significant components of the Company's unrecognized deferred income tax assets are summarized below.

	March 31, 2015	March 31, 2014
Share issue costs	$ 4,000	$ 11,000
Allowable capital losses	1,000	1,000
Non-capital losses	1,325,000	1,348,000
Capital assets	71,000	71,000
Exploration and evaluation assets	1,145,000	1,140,000
Marketable securities	9,000	9,000
Total	2,555,000	2,580,000
Unrecognized deferred tax assets	(2,555,000)	(2,580,000)
Net deferred tax assets	$ -	$ -

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

	March 31, 2015		March 31, 2014	
Exploration and evaluation assets	$ 4,039,000	no expiry	$ 4,018,000	no expiry
Equipment	272,000	no expiry	272,000	no expiry
Share issuance costs	17,000	2035 - 2037	44,000	2034 - 2037
Marketable securities	71,000	no expiry	70,000	no expiry
Allowable capital losses	4,000	no expiry	4,000	no expiry
Non-capital losses available for future periods	5,095,000	2016 - 2035	5,185,000	2015 - 2034

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

10. SEGMENTED INFORMATION

The Company's operations are limited to a single industry segment being the acquisition, exploration and evaluation of exploration and evaluation assets. The exploration and evaluation assets are located in Canada, in the provinces of British Columbia and Saskatchewan and in the Yukon Territory.

The Company's deposits are held at Canadian financial institutions.

11. 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.

11. CAPITAL MANAGEMENT *(continued)*

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, 2015.

12. FINANCIAL INSTRUMENTS

As at March 31, 2015, the Company's financial instruments consist of cash, marketable securities, amounts receivable, deposits, accounts payable and accrued liabilities and amount due to related party.

The fair value of the Company's amounts receivable, deposits, accounts payable and accrued liabilities, and amount due to related party approximate their carrying value, the amount presented on the statements of financial position, due to their short-term maturities or ability of prompt liquidation. The Company's other financial instruments, being cash 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 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 amounts receivable. The risk arises from the non-performance of counterparties of contractual financial obligations. To minimize credit risk, the Company places cash 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.

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 ensures its holding of cash is sufficient to meet its short-term general and administrative expenditures. Except for the amount due to related party which has no fixed terms of payment (Note 8), all of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits. Should the Company be requested to repay all of its financial liabilities, the Company will require additional equity financing to meet its administrative overhead costs and further exploration activities on its exploration and evaluation assets in fiscal 2016.

Market Risk

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

<u>Interest rate risk</u>

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

<u>Currency risk</u>

The Company's operations are in Canada, and the Company keeps most of its financial instruments in Canadian dollars. As a result, management does not believe that the Company is exposed to significant foreign currency risk.

12. FINANCIAL INSTRUMENTS *(continued)*

Market Risk *(continued)*

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 iron. The Company closely monitors commodity prices and marketable securities to determine the appropriate course of action to be taken.

13. SUBSEQUENT EVENT

The following reportable event occurred subsequent to the year ended March 31, 2015:

On July 8, 2015, the Company entered into a letter of intent (the "LOI") with Sebnets Technologies Inc. ("Sebnets") with respect to the acquisition of Sebnets by the Company in a reverse take-over transaction (the "Transaction"). Sebnets holds a portfolio of intellectual property related to the wearable technology industry that it will commercialize.

In consideration for the acquisition of Sebnets by the Company, Sebnets shareholders will receive:

- 24,375,000 common shares of the Company on closing;
- An additional 15,000,000 common shares of the Company based on an earn-out structure:
    - 7,500,000 common shares of the Company will be issued if revenues of at least US$12 million are attained during the first completed financial year.
    - 7,500,000 common shares of the Company will be issued if revenues of at least US$24 million are attained during the second completed financial year.
- The right to nominate three of a total of five directors to the Company's Board of Directors.

The Company will provide Sebnets with a secured bridge loan for up to $250,000 which will be advanced in tranches based on a budget agreed to between the Company and Sebnets.

In conjunction with the Transaction, the Company will complete a private placement (the "Financing") of units (the "Units") for gross proceeds of at least $2,000,000. Each Unit will consist of one common share of the Company and one half of one common share purchase warrant. Each whole warrant shall be exercisable into one common share of the Company for a period of 24 months. Subject to TSX-V approval, the Company may pay commissions or finder's fees in connection with the Financing and may appoint a broker to assist with the Financing.

13. SUBSEQUENT EVENT *(continued)*

Other conditions precedent to the closing of the Transaction include:

- Satisfactory completion of customary due diligence;
- Entering into a definitive agreement;
- The Company completing a consolidation of its outstanding common shares on the basis of one post-consolidation share for every two pre-consolidation shares;
- Conversion of $300,000 of the Company's outstanding debt into common shares of the Company at the Transaction price;
- Receipt of all necessary board, shareholder and regulatory approvals, including the approval of the TSX-V; and
- Other conditions customary for a transaction of this nature.

There can be no assurance that the Transaction will be completed as proposed or at all. Completion of the Transaction is subject to a number of conditions, including TSX-V acceptance and disinterested shareholder approval. The Transaction cannot close until the required shareholder approval is obtained.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX-V has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of the disclosure set forth above.

Logan Resources Ltd.
Management's Discussion & Analysis
For the Year Ended March 31, 2015

Date Prepared: July 22, 2015

GENERAL

The following management discussion and analysis ("MD&A") for Logan Resources Ltd. (the "Company" or "Logan") for the year ended March 31, 2015 should be read in conjunction with the Company's audited annual 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.

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 future exploration on and the development of the mineral properties, future financings and the reverse take-over transaction with Sebnets 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.

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 under the symbol "LGR".

OUTLOOK

The Company depends on its ability to raise equity capital to fund its operations. The Company is working to obtain additional financing in the near term from debt or equity, in order to fund its activities going forward. The Company continues to seek opportunities to increase shareholder value.

Refer to "Proposed Transaction" for additional details.

EXPLORATION AND EVALUATION EXPENDITURES

During the year ended March 31, 2015, the Company incurred exploration and evaluation expenditures of $7,157, related to licensing and permitting costs for the Chuchi Property prior to terminating the underlying option agreement.

During the year ended March 31, 2014, the Company incurred exploration and evaluation expenditures of $33,555 which relates to $4,048 spent on the Chuchi Property and $29,507 spent on the Idaho Gold Property.

Full details on exploration and evaluation expenditures are disclosed in Note 6 of the accompanying audited financial statements. See "Exploration and Evaluation Assets" for further discussion of properties and activities.

EXPLORATION AND EVALUATION ASSETS

CHUCHI PROPERTY *(British Columbia, Canada)*

During the year ended March 31, 2012, the Company entered into an option agreement (the "Chuchi Option Agreement") with Equity Exploration Consultants Ltd. ("Equity") whereby Equity granted the Company the option to acquire up to a 100% interest in the Chuchi Property, located in the Omineca Mining Division of British Columbia and covering an area of 6,510 hectares (the "Chuchi Property"). The Chuchi Option Agreement was amended on May 31, 2013.

During the year ended March 31, 2015, the Chuchi Option Agreement was terminated.

Prior to the termination of the Chuchi Option Agreement, the Company had the option to earn a 100% interest in the Chuchi Property which could be exercised by:

(a) Making cash payments to Equity totalling $260,000 (paid $10,000);
(b) Issuing a total of 362,500 common shares of the Company to Equity (issued 62,500); and
(c) Incurring exploration expenditures totalling $3,650,000 (first commitment of $150,000 has been met).

The Company appointed Equity to carry out the exploration work on the Chuchi Property. The Chuchi Option Agreement also included a 3% net smelter royalty ("NSR") payable to Equity.

No exploration work was completed on the Chuchi Property during the year ended March 31, 2015 other than licensing and permitting, which amounted to $7,157. During the year ended March 31, 2015, the Company received a government mining tax credit in the amount of $1,215 which was credited to the balance of acquisition costs. The remaining balance of acquisition costs in the amount of $2,815 was fully impaired during the year due to the termination of the Chuchi Option Agreement.

REDFORD *(British Columbia, Canada)*

The Redford Property comprises 26 claims covering approximately 10,821 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.

Brynnor Iron (Magnetite) Deposit on the Redford Property

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.

From July 27, 2010 to November 27, 2012, the Redford Property was optioned to Ridgemont Iron Ore Corp. ("Ridgemont") whereby Ridgemont could acquire up to 75% of the Company's 100% interest in the Redford Property. During the option period, the Company received $125,000 in cash payments and 100,000 common shares of Ridgemont. Ridgemont completed its 2011 drilling program on the Redford Property, consisting of 62 diamond drill holes, totaling 10,282 metres, as well as ground geophysical surveys and a field reconnaissance program.

No exploration work was completed on the Redford Property during the year ended March 31, 2015 and the Company is currently evaluating 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 650 mineral claims, covering 13,587 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^2 magnetic anomaly, along which IOCG type mineral potential is recognized. The property also hosts an 8 km^2 copper soil geochemical anomaly along the margin of the largest gravity anomaly in the Yukon.

No exploration work was completed on the Shell Creek Property during the year ended March 31, 2015. The Company has no current plans to advance the Shell Creek Property and is currently evaluating its strategic options with respect to the property. As a result, the Company recorded an impairment loss in the amount of $218,848 during the year ended March 31, 2014 in relation to the Shell Creek Property.

As of March 31, 2015, the Company recorded a provision for future reclamation costs in the amount of $22,000 (March 31, 2014 - $Nil) in relation to estimated costs to clean up the Shell Creek property. The reclamation is expected to be incurred by the Fall of 2015. Consistent with the Company's accounting policy, the provision was capitalized to exploration and evaluation assets as of March 31, 2015 and the amount was subsequently recorded as an impairment loss.

HEIDI *(Yukon, Canada)*

The Heidi Property comprises 219 claims, covering approximately 4,578 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.

From October 7, 2011 to October 2, 2013, the Heidi Property was optioned to Inform Resources Corp. ("Inform") whereby Inform could acquire up to an 80% title and interest in the Heidi Property. During the option period, the Company received $25,000 in cash and 100,000 common shares of Inform.

The Company has not entered into any new agreements with respect to the Heidi property and has no current plans to advance the Heidi property. The Company continues to evaluate its strategic options with respect to the property.

As of March 31, 2015, the Company recorded a provision for future reclamation costs in the amount of $34,000 (March 31, 2014 - $Nil) in relation to estimated costs to clean up the Heidi property. The reclamation is expected to be incurred in by the Fall of 2015. Consistent with the Company's accounting policy, the provision was capitalized to exploration and evaluation assets as of March 31, 2015 and the amount was subsequently recorded as an impairment loss.

CARSWELL DOME *(Saskatchewan, Canada)*

In fiscal 2005, the Company staked the 7,552 hectare Gorilla Lake Property consisting of two claims on the Carswell Dome Structure, Athabasca Basin, Saskatchewan. The Property is currently under option to Alpha Exploration Inc. ("Alpha"). Pursuant to the agreement dated March 2, 2005, the Company granted Alpha the option to earn 50% interest in uranium mineral claims.

In 2008, the Company negotiated terms of a joint venture with Alpha that set the stage for future exploration. The Company and Alpha signed an agreement on August 11, 2008 to facilitate further exploration on the Cluff Lake claims staked by the Company in 2005. Under the terms of the agreement, the Company agreed to transfer a further 30% interest in the claims to Alpha which would result in Alpha having an 80% undivided interest in the property. On April 23, 2012, the Company completed the transfer of the additional 30% interest, completing Alpha's 80% undivided interest in the property. In December 2013, Fission Uranium Corp. acquired Alpha's predecessor company, Alpha Minerals Corp., for their 50% interest in the Patterson Lake South Joint Venture. As part of the arrangement, all other assets previously belonging to Alpha Minerals Corp. were spun out into a new company, Alpha.

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. If the property reaches a good standing of less than 2 years, and no bankable feasibility study has been delivered to the Company, the property will automatically revert back to the Company.

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% net smelter returns royalty.

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.

IDAHO GOLD PROPERTY *(Idaho, USA)*

During the year ended March 31, 2013, the Company entered into an option agreement (the "Idaho Gold Option Agreement") with Premium Exploration Inc. ("Premium Exploration") whereby Premium Exploration granted the Company the option to acquire up to a 75% interest in the Idaho Gold Property, located in North-Central Idaho.

The Idaho Gold Option Agreement was terminated on June 13, 2013. Accordingly, the Company no longer holds any interest in the Idaho Gold property.

NATIONAL INSTRUMENT 43-101

The Company's exploration work is supervised by C. Stewart Wallis, P. Geo, an officer and director of the Company, and a Qualified Person ("QP") as defined by National Instrument 43-101 ("NI 43-101"). Mr. Wallis has reviewed and approved the technical information disclosed in this MD&A.

SELECTED ANNUAL INFORMATION

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

	March 31, 2015		March 31, 2014		March 31, 2013	
Revenue	$	-	$	-	$	-
Loss	$	(220,695)	$	(594,089)	$	(387,427)
Loss per share (basic and diluted)	$	(0.01)	$	(0.04)	$	(0.04)
Total assets	$	358,414	$	395,120	$	1,007,890
Total non-current financial liabilities	$	-	$	-	$	-

During the three most recently completed financial years, the Company has attempted to maintain its level of expenditures at low levels and to conserve cash. The increased loss for the year ended March 31, 2014 compared to the year ended March 31, 2013 is due to the Company recording an impairment of exploration and evaluation assets in the amount of $218,848 as of March 31, 2014. Loss for the year ended March 31, 2015 returned to reduced levels due to decreased overall Company activities.

REVIEW OF FINANCIAL RESULTS

Results of Operations

During the year ended March 31, 2015, the Company reported a loss of $220,695 or $0.01 per share, compared to a loss of $594,089, or $0.04 per share, for the year ended March 31, 2014.

The Company incurred total expenses during the year ended March 31, 2015 of $160,790, representing a decrease of $212,209 compared to the year ended March 31, 2014. The decrease in overall expenses is attributable to decreased overall Company activities as the Company attempted to maintain a low level of expenditures due to challenging market conditions.

Business development expenditures decreased by $6,488 for the year ended March 31, 2015 compared to the prior year as a result of the Company reducing overall activities, including marketing initiatives. In addition, the Company incurred increased business development expenses during the year ended March 31, 2014 in connection with evaluation of the Idaho Gold Property.

Consultants' fees and wages and salaries totalled $42,338 for the year ended March 31, 2015 compared to $153,207 for the year ended March 31, 2014, representing a decrease of $110,869. The decrease in overall personnel cost is due to decreased overall Company activities during the year ended March 31, 2015. During the prior year, the Company incurred increased personnel costs due to preliminary work performed on the Idaho Gold Property.

Director fees remained consistent at $4,000 for each of the years ended March 31, 2014 and 2015. Director fees in the amount of $1,000 per quarter are paid to the Chair of the Audit Committee and commenced on January 1, 2013.

Exploration and evaluation expenses for the year ended March 31, 2015 decreased by $26,398 compared to the prior year. During the year ended March 31, 2015, the Company incurred licensing and permitting costs of $7,157 to maintain the Chuchi Property in good standing prior to the termination of the Chuchi Option Agreement. During the year ended March 31, 2014, exploration and evaluation expenses of $33,555 consisted of licensing and permitting of $4,048 for the Chuchi Property and expenditures on the Idaho Gold Property including accommodation and meals of $2,264, miscellaneous expenses of $1,980, transportation of $6,346 and wages of $18,917. The Idaho Gold Option Agreement was terminated on June 13, 2013.

Office, rent and administration expenses decreased to $34,467 during the year ended March 31, 2015 (March 31, 2014 - $58,729) which is attributable to decreased overall Company activities and the Company's continued efforts to reduce costs and conserve cash.

Professional fees for the year ended March 31, 2015 decreased to $49,350 compared to professional fees of $95,346 for the year ended March 31, 2014, representing a decrease of $45,996 which relates to the Company engaging a third party to provide additional financial and advisory services. These services were terminated as of July 24, 2014. The decrease in professional fees during the year ended March 31, 2015 is also due to reduced accounting and audit fees anticipated for fiscal 2015.

Transfer agent and filing fees for the year ended March 31, 2015 amounted to $19,547 compared to $17,743 for the year ended March 31, 2014 and related to regulatory public company compliance.

Other items for the year ended March 31, 2015 include finance income of $144 (March 31, 2014 - $586) related to interest earned on additional cash on hand and guaranteed investment certificates, a gain on foreign exchange of $468 (March 31, 2014 – loss of $170), an impairment loss related to exploration and evaluation assets of $58,815 (March 31, 2014 - $218,848) and an unrealized loss on marketable securities of $1,702 (March 31, 2014 - $2,658) in relation to a fair value adjustment at year end.

SUMMARY OF QUARTERLY RESULTS

	Q4 March 31, 2015	Q3 December 31, 2014	Q2 September 30, 2014	Q1 June 30, 2014
Income (loss) for the period	**$ (79,819)**	$ (42,412)	$ (31,971)	$ (66,493)
Loss per share (basic and diluted)	**$ (0.01)**	$ (0.00)	$ (0.00)	$ (0.00)

	Q4 March 31, 2014	Q3 December 31, 2013	Q2 September 30, 2013	Q1 June 30, 2013
Income (loss) for the period	**$ (270,729)**	$ (80,274)	$ (47,427)	$ (195,659)
Loss per share (basic and diluted)	**$ (0.02)**	$ (0.01)	$ (0.00)	$ (0.01)

The Company has attempted to maintain low levels of expenditures for the past eight quarters due to challenging market conditions. The increased loss for the quarter ended June 30, 2013 was primarily attributable to increased consulting, exploration and evaluation expenses, professional fees and wages and salaries related to the Idaho Gold Property. The loss for the quarter ended September 30, 2013 decreased as a result of the termination of the Idaho Gold Option Agreement in the previous quarter and the overall lowering of corporate activities. Loss for the quarter ended December 31, 2013 increased compared to the previous quarter as a result of the Company engaging a third party to provide additional financial and advisory services. During the quarter ended March 31, 2014, loss further increased as a result of the Company recording an impairment of exploration and evaluation assets of $218,848 in relation to the Shell Creek Property. During the year ended March 31, 2015, loss returned to decreased levels, with the exception of the fourth quarter due to the Company recording a provision for future reclamation work related to its exploration and evaluation assets.

FOURTH QUARTER

During the three months ended March 31, 2015, the Company reported a loss of $79,819 or $0.01 per share, compared to a loss of $270,729 or $0.02 per share, for the three months ended March 31, 2014. The decrease in loss for the three months ended March 31, 2015 is explained by an impairment loss recorded during the three months ended March 31, 2014 in the amount of $218,848 related to the Shell Creek Property, as discussed in "Exploration and Evaluation Assets", and the termination of certain financial and advisory services.

The Company incurred total expenses during the three months ended March 31, 2015 of $24,126, representing a decrease of $28,347 compared to the three months ended March 31, 2014 which was primarily attributable to decreased professional fees and personnel costs.

Business development expenditures increased by $1,078 during the three months ended March 31, 2015 compared to the same period of the prior year as a result of attending a conference in March 2015.

Director fees remained consistent at $1,000 for each of the three month periods ended March 31, 2014 and 2015. Director fees in the amount of $1,000 per quarter are paid to the Chair of the Audit Committee and commenced on January 1, 2013.

Office, rent and administration expenses decreased slightly by $1,344 for the three months ended March 31, 2015 compared to the same period of the prior year due to decreased overall Company activities.

Professional fees for the three months ended March 31, 2015 decreased by $25,000 compared to the same period of the prior year as a result of the Company no longer engaging a third party to provide additional financial and advisory services.

Transfer agent and filing fees for the three months ended March 31, 2015 ($2,298) were consistent with fees incurred for the three months ended March 31, 2014 ($1,629).

Wages and salaries totalled $7,282 for the three months ended March 31, 2015 compared to $11,033 for the three months ended March 31, 2014, representing a decrease of $3,751. The decrease in overall personnel cost is due to decreased overall Company activities.

Other items for the three months ended March 31, 2015 include finance income of $27 (March 31, 2014 - $62) related to interest earned on additional cash on hand and guaranteed investment certificates, a gain on foreign exchange of $280 (March 31, 2014 – $171), an impairment loss related to exploration and evaluation assets of $56,000 (March 31, 2014 - $218,848), and an unrealized gain on marketable securities of $Nil (March 31, 2014 - $359) in relation to a fair value adjustment at period end.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

As at March 31, 2015, the Company had cash of $337,865 (March 31, 2014 - $368,320) and a working capital deficit of $297,643 (March 31, 2014 – $80,978). The decrease in working capital of $216,665 is primarily attributable to increased current liabilities as at March 31, 2015.

The Company has access to sufficient cash resources to meet its current general and administrative expenditure requirements; however, the Company does not currently have sufficient resources to settle the amount due to a related party which has no fixed terms of payment and is non-interest bearing. Should the Company be requested to repay all of its financial liabilities, including the amount due to related party, or decide to advance its exploration and evaluation properties further, the Company will require additional financing. Therefore, the Company's continued development is contingent upon its ability to raise sufficient financing. There are no guarantees that additional sources of financing will be available to the Company; however, management is committed to pursuing all possible sources of financing.

Future additional capital will have to be obtained from debt or equity financings. See "Risk Factors".

Operating Activities

Cash used in operating activities for the year ended March 31, 2015 amounted to $31,670, which consisted of the loss for the year of $220,695 and adjusted for an impairment of exploration and evaluation assets of $58,815, and an unrealized loss on marketable securities of $1,702. Loss for the year was further adjusted to determine cash used in operating activities for changes in non-cash working capital items, including a decrease in amounts receivable of $51 for tax credits received, net of Goods and Services Tax ("GST") input tax credits paid, a decrease in prepaid expenses of $468 for directors' and officers' insurance premiums paid, net of amortization, an increase in accounts payable and accrued liabilities of $55,562 and an increase in amount due to related party of $72,427 due to monthly services provided by King & Bay West Management Corp. ("King & Bay West").

Cash used in operating activities for the year ended March 31, 2014 amounted to $363,911, which consisted of the loss for the year of $594,089 and adjusted for non-cash items, including an impairment of exploration and evaluation assets of $218,848 and an unrealized loss on marketable securities of $2,658. Loss for the year was further adjusted to determine cash used in operating activities for changes in non-cash working capital items, including a decrease in amounts receivable of $32,243 as the Company received various tax credits during the year, an increase in prepaid expenses of $2,390 for annual listing fees and insurance premiums paid, net of amortization, an increase in accounts payable and accrued liabilities of $26,379 due to accruals for professional services and a decrease in amounts due to related parties of $47,560 due to the Company settling outstanding invoices with related parties, net of additional invoices received.

Investing Activities

During the year ended March 31, 2015, the Company received a government tax credit in the amount of $1,215 in relation to the BC Mining Exploration Tax Credit for exploration expenses incurred on the Chuchi Property.

During the year ended March 31, 2014, the Company received a government tax credit in the amount of $3,789 in relation to the BC Mining Exploration Tax Credit for exploration expenses incurred on the Chuchi Property.

Financing Activities

There was no cash provided by or used in financing activities for the years ended March 31, 2014 or 2015.

STATEMENT OF FINANCIAL POSITION INFORMATION

	As at March 31, 2015	As at March 31, 2014
Cash	$ 337,865	$ 368,320
Marketable securities	1,140	2,842
Amounts receivable	1,167	1,218
Prepaid expenses	6,742	7,210
Deposits	11,500	11,500
Exploration and evaluation assets	-	4,030
Total Assets	**$ 358,414**	**$ 395,120**
Accounts payable and accrued liabilities	$ 142,517	$ 86,955
Due to related party	446,040	373,613
Provision for future reclamation costs	56,000	-
Capital stock	15,914,457	15,914,457
Other equity reserves	1,443,133	1,443,133
Deficit	(17,643,733)	(17,423,038)
Total Liabilities and Equity (Deficiency)	**$ 358,414**	**$ 395,120**

Assets

Cash decreased by $30,455 during the year ended March 31, 2015 due to the Company's operating activities, as described in detail in "Liquidity and Capital Resources".

During the year ended March 31, 2015, marketable securities decreased by $1,702 as a result of a fair value adjustment at year end. There were no additions to or disposals of marketable securities during the year ended March 31, 2015.

Amounts receivable decreased by $51 during the year ended March 31, 2015 as a result of receiving GST refunds and the Mining Exploration Tax Credit, net of GST input tax credits paid.

During the year ended March 31, 2015, prepaid expenses decreased by $468 in relation to directors' and officers' insurance premiums paid, net of amortization.

There was no change in the balance of deposits for the year ended March 31, 2015. The deposits are held in relation to the Company's corporate credit card.

During the year ended March 31, 2015, exploration and evaluation assets decreased by $4,030 due to a BC Mining Exploration Tax Credit received in the amount of $1,215 and the impairment loss of $2,815 which were both in relation to the Chuchi Property. In addition, the Company recorded future reclamation costs with respect to the Heidi and Shell Creek properties which totalled $56,000 and were subsequently recorded as impairment losses as of March 31, 2015.

Liabilities

Accounts payable and accrued liabilities increased by $55,562 during the year ended March 31, 2015 primarily due to accruals for professional services.

During the year ended March 31, 2015, the amount due to a related party increased by $72,427 due to monthly services and shared facilities provided by King & Bay West. Refer to "Related Party Transactions" for further discussion of related party balances and transactions.

As of March 31, 2015, the Company recorded a provision for future reclamation costs in the amount of $56,000 (March 31, 2014 - $Nil) in relation to the Heidi and Shell Creek properties, as discussed in "Exploration and Evaluation Assets".

Equity

There was no change in capital stock or other equity reserves during the year ended March 31, 2015.

Deficit increased for the loss for the year of $220,695.

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:

Security Description	March 31, 2015	Date of report
Common shares	15,104,213	15,104,213
Director, employee and contractor options – vested	-	-
Director, employee and contractor options – granted but not yet vested	-	-
Warrants to purchase shares	-	-
Fully diluted shares	**15,104,213**	**15,104,213**

There were no common share issuances during the year ended March 31, 2015.

The Company issued the following common shares during the year ended March 31, 2014:

- The Company issued 50,000 common shares valued at $2,500 in relation to the Option Agreement for the Chuchi Property.

RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying audited 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, 2015	2014
Short-term benefits [1]	$ 13,738	$ 32,511

[1] Includes director fees and base salaries, pursuant to contractual employment or consultancy arrangements.

Other Related Parties

King & Bay West Management Corp.: King & Bay West is an entity that is owned by Mr. Mark J. Morabito, a former director, and employs or retains certain directors, officers and consultants of the Company. King & Bay West provides administrative, management, geological, regulatory, tax, 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, 2015, transactions entered into with King & Bay West, other than key management personnel, amounted to $59,240 (March 31, 2014 - $158,460).

As of March 31, 2015, the amount due to related party consists of $446,040 (March 31, 2014 - $373,613) payable to King & Bay West. The amount due to King & Bay West 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 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 years. Actual results could differ from those estimates and such differences could be significant.

Significant estimates made by management affecting the financial statements include:

Share-based payments

Estimating fair value for granted stock options and warrants 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.

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, extraction, 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.

Recoverability of 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.

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 financial statements for the year ended March 31, 2015.

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.

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 amount due to related party approximate their carrying value, the amount presented on the statements of financial position, due to their short-term maturities or ability of prompt liquidation. The Company's other financial instruments, being cash 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 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 amounts receivable. The risk arises from the non-performance of counterparties of contractual financial obligations. To minimize the credit risk the Company places cash 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.

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 ensures its holding of cash is sufficient to meet its short-term general and administrative expenditures. Except for the amount due to related party which has no fixed terms of payment, all of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits. Should the Company be requested to repay all of its financial liabilities, the Company will require additional equity financing to meet its administrative overhead costs and further exploration activities on its exploration and evaluation assets in fiscal 2016.

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. It is management's opinion that the Company is not exposed to significant market risk. However, all marketable securities are subject to price and market volatility.

<u>Interest Rate Risk</u>

The Company has cash balances and no interest bearing debt. The interest earned on cash 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 iron. The Company closely monitors commodity prices and marketable securities to determine the appropriate course of action to be taken.

Currency Risk

As at March 31, 2015, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. As at March 31, 2015, the Company has accounts payable denominated in US dollars of US$5 and cash of US$2,568. Management does not believe that the Company is exposed to significant foreign currency risk.

PROPOSED TRANSACTION

On July 8, 2015, the Company entered into a letter of intent (the "LOI") with Sebnets Technologies Inc. ("Sebnets") with respect to the acquisition of Sebnets by the Company in a reverse take-over transaction (the "Transaction"). Sebnets holds a portfolio of intellectual property related to the wearable technology industry that it will commercialize.

In consideration for the acquisition of Sebnets by the Company, Sebnets shareholders will receive:

- 24,375,000 common shares of the Company on closing;
- An additional 15,000,000 common shares of the Company based on an earn-out structure:
  - 7,500,000 common shares of the Company will be issued if revenues of at least US$12 million are attained during the first completed financial year.
  - 7,500,000 common shares of the Company will be issued if revenues of at least US$24 million are attained during the second completed financial year.
- The right to nominate three of a total of five directors to the Company's Board of Directors.

The Company will provide Sebnets with a secured bridge loan for up to $250,000 which will be advanced in tranches based on a budget agreed to between the Company and Sebnets.

In conjunction with the Transaction, the Company will complete a private placement (the "Financing") of units (the "Units") for gross proceeds of at least $2,000,000. Each Unit will consist of one common share of the Company and one half of one common share purchase warrant. Each whole warrant shall be exercisable into one common share of the Company for a period of 24 months. Subject to TSX-V approval, the Company may pay commissions or finder's fees in connection with the Financing and may appoint a broker to assist with the Financing.

Other conditions precedent to the closing of the Transaction include:

- Satisfactory completion of customary due diligence;
- Entering into a definitive agreement;
- The Company completing a consolidation of its outstanding common shares on the basis of one post-consolidation share for every two pre-consolidation shares;
- Conversion of $300,000 of the Company's outstanding debt into common shares of the Company at the Transaction price;
- Receipt of all necessary board, shareholder and regulatory approvals, including the approval of the TSX-V; and
- Other conditions customary for a transaction of this nature.

There can be no assurance that the Transaction will be completed as proposed or at all. Completion of the Transaction is subject to a number of conditions, including TSX-V acceptance and disinterested shareholder approval. The Transaction cannot close until the required shareholder approval is obtained.

Investors are cautioned that, except as disclosed in the Management Information Circular to be prepared in connection with the Transaction, any information released or received with respect to the Transaction may not be accurate or complete and should not be relied upon. Trading in the securities of the Company should be considered highly speculative.

The TSX-V has in no way passed upon the merits of the proposed Transaction and has neither approved nor disapproved the contents of the disclosure set forth above.

SUBSEQUENT EVENT

Subsequent to the year ended March 31, 2015, the Company entered into a letter of intent, as detailed in "Proposed Transaction".

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com.

APPROVAL

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