(An Exploration Stage Company)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2016

(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, 2016 and 2015 and the statements of loss and comprehensive loss, cash flows and changes in deficiency 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.

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Opinion

In our opinion, these financial statements present fairly, in all material respects, the financial position of Logan Resources Ltd. as at March 31, 2016 and 2015 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 & COMPANY LLP"

Vancouver, Canada — Chartered Professional Accountants

July 25, 2016

LOGAN RESOURCES LTD.

(An Exploration Stage Company)
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

		March 31, 2016		March 31, 2015
ASSETS				
CURRENT ASSETS				
Cash	**$**	**163,224**	$	337,865
Marketable securities (Note 4)		**3,980**		1,140
Amounts receivable		**1,774**		1,167
Prepaid expenses		**6,728**		6,742
		175,706		346,914
DEPOSITS (Note 5)		**11,500**		11,500
	$	**187,206**	$	358,414
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable and accrued liabilities	**$**	**122,320**	$	142,517
Due to related party (Note 8)		**12,683**		446,040
Provision for future reclamation costs (Note 6)		**-**		56,000
		135,003		644,557
DUE TO RELATED PARTY (Note 8)		**508,954**		-
DEFICIENCY				
Capital stock (Note 7)		**15,914,457**		15,914,457
Other equity reserves (Note 7)		**1,443,133**		1,443,133
Deficit		**(17,814,341)**		(17,643,733)
		(456,751)		(286,143)
	$	**187,206**	$	358,414

Nature of operations and going concern (Note 1)
Subsequent events (Note 15)

Approved on July 25, 2016 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 LOSS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Years Ended March 31,			
		2016		**2015**
OPERATING ITEMS				
Business development	$	**22,270**	$	3,931
Director fees (Note 8)		**4,000**		4,000
Exploration and evaluation (Note 6)		**-**		7,157
Office, rent and administration		**32,987**		34,467
Professional fees		**18,819**		49,350
Transfer agent and filing fees		**29,851**		19,547
Wages and salaries (Note 8)		**37,032**		42,338
Finance income		**(87)**		(144)
Foreign exchange gain		**(97)**		(468)
Impairment of exploration and evaluation assets (Note 6)		**28,673**		58,815
Unrealized loss (gain) on marketable securities (Note 4)		**(2,840)**		1,702
LOSS AND COMPREHENSIVE LOSS FOR THE YEAR	$	**(170,608)**	$	(220,695)
BASIC AND DILUTED LOSS PER SHARE	$	**(0.01)**	$	(0.01)
BASIC AND DILUTED WEIGHTED AVERAGE SHARES OUTSTANDING		**15,104,213**		15,104,213

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, 2016	2015
Operating activities:		
Loss for the year	$ **(170,608)**	$ (220,695)
Items not affecting cash:		
Impairment of exploration and evaluation assets	**28,673**	58,815
Unrealized loss (gain) on marketable securities	**(2,840)**	1,702
Net change in non-cash working capital items:		
Amounts receivable	**(607)**	51
Prepaid expenses	**14**	468
Accounts payable and accrued liabilities	**(20,197)**	55,562
Due to related party	**75,597**	72,427
Cash used in operating activities	**(89,968)**	(31,670)
Investing activities:		
Government tax credit received for exploration and evaluation assets	**-**	1,215
Reclamation of exploration and evaluation assets	**(84,673)**	-
Cash provided by (used in) investing activities	**(84,673)**	1,215
Decrease in cash during the year	**(174,641)**	(30,455)
Cash, beginning of the year	**337,865**	368,320
Cash, end of the year	$ **163,224**	$ 337,865

There was no cash paid for interest or income taxes for the years ended March 31, 2016 or 2015.

Supplemental disclosures with respect to cash flows (Note 13)

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

LOGAN RESOURCES LTD.

(An Exploration Stage Company)
STATEMENT OF CHANGES IN DEFICIENCY
FOR THE YEARS ENDED MARCH 31, 2016 AND 2015
(Expressed in Canadian Dollars)

	CAPITAL STOCK				OTHER EQUITY				
	NUMBER		**AMOUNT**		**RESERVES**		**DEFICIT**		**TOTAL**
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)**
Loss for the year	-		-		-		(170,608)		(170,608)
Balance, March 31, 2016	**15,104,213**	**$**	**15,914,457**	**$**	**1,443,133**	**$**	**(17,814,341)**	**$**	**(456,751)**

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" or the "Exchange") 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 and records office is #1240 – 1140 West Pender Street, Vancouver, British Columbia, Canada, V6E 4G1.

On February 16, 2016, the Company received notice from the TSX-V advising the Company of a deficiency in the TSX-V's Tier 2 listing requirements as it has not completed sufficient exploration or development expenditures over the two most recently completed financial years. The TSX-V has placed the Company on notice, with a deadline of August 16, 2016 by which time the Company is required to provide a submission to the TSX-V evidencing that it meets the Tier 2 continued listing requirements. If the Company is not able to satisfy the TSX-V that it meets all Tier 2 continued listing requirements by August 16, 2016, the Exchange will proceed to transfer the Company's listing to NEX, without further notice. NEX is a separate board of the TSX-V for companies previously listed on the TSX-V which have failed to maintain compliance with the continued listing requirements of the Exchange.

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

The Company had a working capital of $40,703 as at March 31, 2016, incurred a loss of $170,608 during the year ended March 31, 2016 and had an accumulated deficit of $17,814,341 as at March 31, 2016 which has been funded primarily by the issuance of equity.

During the year ended March 31, 2016, the Company entered into and later terminated a share exchange agreement (Note 14).

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 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

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.

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, 2016 and 2015, 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 when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from decommissioning activities is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

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

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

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

Income taxes

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

Share-based payments

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

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

Basic and diluted loss per share

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

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

Financial instruments

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

Financial assets and liabilities at FVTPL are subsequently measured at fair value with changes in those fair values recognized in profit or loss. Financial assets "available-for-sale" are subsequently measured at fair value with changes in fair value recognized in other comprehensive income (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 party 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 profit or 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 profit or loss, such as unrealized gains and losses on available-for-sale investments. Gains and losses that would otherwise be recorded as part of profit or loss are presented in "accumulated other comprehensive income (loss)" until it is considered appropriate to recognize into profit or loss. 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, 2015, the following standard was adopted but had no material impact on the financial statements:

a) 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.

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

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

4. MARKETABLE SECURITIES

The Company's marketable securities consist of shares held in First Mining Finance Corp. (formerly "Coastal Gold Corp.") and Inform Resources Corp., both TSX-V listed companies. The shares were issued to the Company as part of option agreements on the Company's Redford and Heidi properties (Note 6).

	First Mining Finance Corp.	Inform Resources Corp.	Total
Cost, March 31, 2014, 2015 and 2016	$ 40,000	$ 32,500	$ 72,500
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 adjustment for the year	2,965	(125)	2,840
Adjustment to fair value, March 31, 2016	$ (36,145)	$ (32,375)	$ (68,520)
Fair Value at March 31, 2015	$ 890	$ 250	$ 1,140
Fair Value at March 31, 2016	$ 3,855	$ 125	$ 3,980

5. DEPOSITS

As at March 31, 2016, the Company had $11,500 (March 31, 2015 – $11,500) as a deposit for a corporate credit card. The deposit is automatically renewed at maturity.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS AND EXPENDITURES

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

Details of exploration and evaluation assets are as follows:

	Chuchi	Heidi	Shell Creek	Total
Acquisition costs, 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, March 31, 2015	-	-	-	-
Future reclamation costs	-	22,483	6,190	28,673
Impairment	-	(22,483)	(6,190)	(28,673)
Acquisition costs, March 31, 2016	$ -	$ -	$ -	$ -

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

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

	Chuchi
Licenses and permits	$ 7,157

Carswell Property (Saskatchewan)

During fiscal 2005, the Company staked claims on the Carswell Dome Formation, Saskatchewan. Pursuant to a series of option agreements, Alpha Exploration Inc. ("Alpha"), a wholly-owned subsidiary of ALX Uranium Corp., holds a 80% interest in these claims.

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

a) Delivers a bankable feasibility study to the Company; or

b) Transfers all of its interest in the property to the Company with no less than 2 years of good standing remaining. 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 ("NSR").

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

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

Heidi Property (Dawson and Mayo Mining Districts, 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%.

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. During the year ended March 31, 2016, the Company recorded a further provision for future reclamation costs in the amount of $22,483 as a result of revised estimates. 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, impairment losses in the amounts of $22,483 and $34,000 were recorded during the years ended March 31, 2016 and 2015, respectively.

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

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

Shell Creek Property (Dawson Mining District, Yukon Territory)

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

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. During the year ended March 31, 2016, the Company recorded a further provision for future reclamation costs in the amount of $6,190 as a result of revised estimates. 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, impairment losses in the amounts of $6,190 and $22,000 were recorded during the years ended March 31, 2016 and 2015, respectively.

Chuchi Property (Omineca Mining Division, British Columbia)

The Company had the option to acquire up to a 100% interest in the Chuchi Property which was terminated during the year ended March 31, 2015 and resulted in an impairment loss in the amount of $2,815.

(Expressed in Canadian Dollars)

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

Provision for Future Reclamation Costs

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

	Heidi	Shell Creek	Total
Balance, March 31, 2014	$ -	$ -	$ -
Estimate of reclamation costs	34,000	22,000	56,000
Balance, March 31, 2015	34,000	22,000	56,000
Estimate of reclamation costs	22,483	6,190	28,673
Reclamation costs incurred	(56,483)	(28,190)	(84,673)
Balance, March 31, 2016	$ -	$ -	$ -

The provisions recorded during the years ended March 31, 2016 and 2015 were the undiscounted amount of the estimated cash flows required to settle the obligations. The reclamation was expected to be incurred in the short-term; and therefore the provision also represented the discounted cash flows of the obligation. The reclamation costs were incurred during the year ended March 31, 2016.

7. CAPITAL STOCK AND OTHER EQUITY RESERVES

Share Issuances

Authorized

Unlimited number of common shares without par value

There were no common share issuances during the year ended March 31, 2016 or 2015.

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 option grants, at the discretion of the directors.

As at March 31, 2016 and 2015, no stock options were outstanding or exercisable.

No share-based payments expense was recognized for stock options during the year ended March 31, 2016 or 2015 as no stock options were granted or had vested during those years.

(Expressed in Canadian Dollars)

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

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, 2014	5,435,600	$0.20
Expired	(5,435,600)	$0.20
Outstanding, March 31, 2015 and 2016	-	-

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.

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, 2016	Years Ended March 31, 2015
Short-term benefits [1]	$ 13,737	$ 13,738

[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 director and officer and employs or retains certain directors, officers and consultants of the Company. King & Bay West provided administrative, management, geological, regulatory, tax, legal, accounting, corporate development and corporate communications services to the Company. King & Bay West will continue to provide certain services to the Company in the future.

During the year ended March 31, 2016, transactions entered into with King & Bay West, other than key management personnel, amounted to $62,260 (March 31, 2015 - $59,240).

As of March 31, 2016, the amount payable to King & Bay West totalled $521,637 (March 31, 2015 - $446,040) and consisted of current and non-current amounts payable of $12,683 (March 31, 2015 - $446,040) and $508,954 (March 31, 2015 - $Nil), respectively. The current amount payable to King & Bay West is non-interest bearing, unsecured, and has no fixed terms for payment. The non-current amount payable to King & Bay West is non-interest bearing, unsecured, and becomes due on February 15, 2018.

(Expressed in Canadian Dollars)

8. RELATED PARTY TRANSACTIONS *(continued)*

Other Related Parties *(continued)*

On February 15, 2016, the Company entered into a term loan agreement with King & Bay West to convert amounts payable to King & Bay West in the amount of $508,954 into a two year term loan, subject to early repayment in the event the Company undergoes a change of control or completes a financing for no less than $1,000,000 gross proceeds (Note 13).

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 loss and comprehensive loss is provided below.

	Years ended March 31, 2016	2015
Accounting loss before income taxes	$ (170,608)	$ (220,695)
Combined federal and provincial statutory tax rate	26%	26%
Income tax recovery at statutory rates	$ (44,000)	$ (57,000)
Other	(13,000)	82,000
Change in unrecognized deductible temporary differences	57,000	(25,000)
Total	$ -	$ -

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

	March 31, 2016		March 31, 2015	
Exploration and evaluation assets	$ 3,776,000	no expiry	$ 4,039,000	no expiry
Investment tax credit	194,000	2030 - 2034	194,000	2030 - 2034
Equipment	272,000	no expiry	272,000	no expiry
Share issuance costs	9,000	2036 - 2037	17,000	2035 - 2037
Marketable securities	69,000	no expiry	71,000	no expiry
Allowable capital losses	4,000	no expiry	4,000	no expiry
Non-capital losses available for future periods	5,346,000	2017 - 2036	5,095,000	2016 - 2035

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

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

There were no changes to the Company's approach to capital management during the year ended March 31, 2016.

12. FINANCIAL INSTRUMENTS

As at March 31, 2016, the Company's financial instruments consist of cash, marketable securities, amounts receivable, deposits, accounts payable and accrued liabilities and amounts due to a related party.

The fair value of the Company's amounts receivable, deposits, accounts payable and accrued liabilities, and amounts due to a 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 by 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 amounts due to a related party (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 2017.

12. FINANCIAL INSTRUMENTS *(continued)*

Market Risk

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

Interest rate risk

The Company has cash 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.

Currency risk

As of March 31, 2016, 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.

Subsequent to the year ended March 31, 2016, the Company entered into an option agreement with respect to properties located in the United States for which expenditures will be incurred in US dollars, exposing the Company to currency risk (Note 15). A significant change in the currency exchange rate between the Canadian and US dollars could have a material effect on the Company's financial results.

Price risk

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

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

13. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

There were no significant non-cash transactions affecting cash flows from investing or financing activities during the years ended March 31, 2016 or 2015.

During the year ended March 31, 2016, amounts due to King & Bay West of $508,954 were reclassified from current liabilities to non-current liabilities as a result of the Company and King & Bay West entering into a term loan agreement (Note 8).

14. SEBNETS TRANSACTION

On September 14, 2015, the Company entered into a share exchange agreement (the "Share Exchange Agreement") with Sebnets Technologies Ltd. ("Sebnets") and all of the shareholders of Sebnets with respect to the acquisition of Sebnets by the Company in a reverse take-over transaction (the "Sebnets Transaction").

The Sebnets Transaction was subject to approval of the TSX-V, approval of the Company's and Sebnets' shareholders, and other conditions customary for a transaction of this nature. On January 29, 2016, the Company terminated the Share Exchange Agreement with respect to the Sebnets Transaction.

15. SUBSEQUENT EVENTS

The following reportable events occurred subsequent to year ended March 31, 2016:

a) On June 28, 2016, the Company incorporated Logan Resources (USA) Ltd. ("Logan USA"), a wholly-owned subsidiary.

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

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

- incurring US$1,000,000 in cumulative exploration expenditures within 12 months after the closing of the Pilot Transaction which includes reimbursing Pilot Gold for 100% of the annual holding costs incurred by Pilot Gold prior to the closing of the Pilot Transaction during the 2016 calendar year;
- issuing common shares of the Company to Pilot Gold equal to 9.9% of the issued and outstanding common shares after the closing of a concurrent financing (detailed below); and
- selecting four of the nine properties and returning the remaining five properties to Pilot Gold with a minimum of one year of the holding costs paid for by the Company.

The Company can earn a 70% interest in the Selected Properties by incurring additional expenditures of US$2,000,000 within 36 months of the closing date of the Pilot Transaction and issuing 1,000,000 common shares of the Company to Pilot Gold.

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

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

The Pilot Transaction is conditional upon the Company completing a concurrent financing. The Company intends to undertake a non-brokered private placement to raise up to $2,200,000 consisting of 22,000,000 units at a price of $0.10 per unit. Each unit will consist of one common share and one common share purchase warrant. Each common share purchase warrant provides the right to acquire one common share for a period of 36 months at an exercise price equal to $0.30. The Company intends to use the net proceeds raised to continue to evaluate and explore the properties and for general corporate and working capital purposes.

The Pilot Transaction and concurrent financing are subject to regulatory approval, including the approval of the TSX-V.

Logan Resources Ltd.
Management's Discussion & Analysis
For the Year Ended March 31, 2016

Date Prepared: July 25, 2016

GENERAL

The following management discussion and analysis ("MD&A") for Logan Resources Ltd. (the "Company" or "Logan") for the year ended March 31, 2016 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, the Company's ability to meet continued listing requirements, the completion of the transaction with Pilot Gold (USA), and the use of financing proceeds contain forward-looking information. By its nature, forward-looking information involves known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements, or other future events, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information. Such factors include, among others, the following risks: the need for additional financing; operational risks associated with mineral exploration; fluctuations in commodity prices; title matters; environmental liability claims and insurance; reliance on key personnel; the potential for conflicts of interest among certain officers, directors or promoters with certain other projects; the absence of dividends; competition; dilution; the inability to obtain regulatory approvals; the volatility of our common share price and volume and the additional risks identified in the "Risk Factors" section of this MD&A or other reports and filings with the TSX Venture Exchange and applicable Canadian securities regulators.

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

DESCRIPTION OF BUSINESS

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

The Company received notice from the TSX-V advising the Company of a deficiency in the TSX-V's Tier 2 listing requirements as it has not completed sufficient exploration or development expenditures over the two most recently completed financial years. The TSX-V has placed the Company on notice, with a deadline of August 16, 2016 by which time the Company is required to provide a submission to the TSX-V evidencing that it meets the Tier 2 continued listing requirements. If the Company is not able to satisfy the TSX-V that it meets all Tier 2 continued listing requirements by August 16, 2016, the Exchange will proceed to transfer the Company's listing to NEX, without further notice. NEX is a separate board of the TSX-V for companies previously listed on the TSX-V which have failed to maintain compliance with the continued listing requirements of the Exchange.

Subsequent to the year ended March 31, 2016, the Company entered into an option agreement with respect to gold mineral exploration properties located in Nevada and Utah, USA and a concurrent financing which are detailed in "Subsequent Events". The option agreement and concurrent financing are subject to regulatory approval, including the approval of the TSX-V. The Company anticipates that this transaction and concurrent financing will result in the Company coming back into compliance with the TSX-V's Tier 2 listing requirements and avoid a transfer to NEX.

OUTLOOK

The Company continues to seek opportunities to increase shareholder value and depends on its ability to raise equity capital to fund its operations. Subsequent to the year ended March 31, 2016, the Company entered into an option agreement and announced a concurrent financing which are both subject to regulatory approval and detailed in "Subsequent Events". The Company intends to use the net proceeds of the financing to continue to evaluate and explore the properties located in Nevada and Utah, USA and for general corporate and working capital purposes.

EXPLORATION AND EVALUATION EXPENDITURES

During the year ended March 31, 2016, the Company did not incur any exploration and evaluation expenditures. The Company accrued additional future reclamation costs in the amount of $28,673 in relation to the Heidi and Shell Creek properties as the Company's accounting policy is to capitalize estimated future reclamation costs directly to the related asset. On the basis that the Company has no current intentions to further the Heidi and Shell Creek properties, an impairment loss in the amount of $28,673 was also recorded during the year ended March 31, 2016.

During the year ended March 31, 2015, the Company incurred exploration and evaluation expenditures of $7,157 with respect to the Chuchi Property to maintain the claims and licenses in good standing.

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)*

The Company had the option to acquire up to a 100% interest in the Chuchi Property which was terminated during the year ended March 31, 2015.

Prior to the termination of the Chuchi Option Agreement, the Company incurred licensing and permitting costs in the amount of $7,157 during the year ended March 31, 2015.

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 due to the termination of the option.

REDFORD *(British Columbia, Canada)*

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

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

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

SHELL CREEK *(Yukon, Canada)*

The Company owns a 100% interest in the Shell Creek Property, subject to a 2% net smelter royalty ("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, 2016. The Company has no current plans to advance the Shell Creek Property and is currently evaluating its strategic options with respect to the property.

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. During the year ended March 31, 2016, the Company recorded a further provision for future reclamation costs in the amount of $6,190 as a result of revised estimates. 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, impairment losses in the amounts of $6,190 and $22,000 were recorded during the years ended March 31, 2016 and 2015, respectively. The reclamation work was completed in September 2015.

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.

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

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. During the year ended March 31, 2016, the Company recorded a further provision for future reclamation costs in the amount of $22,483 as a result of revised estimates. 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, impairment losses in the amounts of $22,483 and $34,000 were recorded during the years ended March 31, 2016 and 2015, respectively. The reclamation work was completed in September 2015.

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"), a wholly-owned subsidiary of ALX Uranium Corp. ("ALX"). Pursuant to a series of option agreements, Alpha holds a 80% in the property.

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

a) Delivers a bankable feasibility study to the Company; or
b) Transfers all of its interest in the property to the Company with no less than 2 years of good standing remaining. 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. On March 30, 2016, ALX announced the completion of a geophysical program at the Gorilla Lake Property. ALX's news release is available on SEDAR (www.sedar.com). Alpha has indicated that a drill program will be conducted by the winter of 2017.

NATIONAL INSTRUMENT 43-101

The Company's exploration work is supervised by C. Stewart Wallis, P. Geo, a 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, 2016	March 31, 2015	March 31, 2014
Revenue	$ -	$ -	$ -
Loss	$ (170,608)	$ (220,695)	$ (594,089)
Loss per share (basic and diluted)	$ (0.01)	$ (0.01)	$ (0.04)
Total assets	$ 187,206	$ 358,414	$ 395,120
Total non-current financial liabilities	$ 508,954	$ -	$ -

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 which is reflected in the decreased loss each year. The Company recorded impairment losses with respect to its exploration and evaluation properties during the years ended March 31, 2016, 2015 and 2014 in the amounts of $28,673, $58,815 and $218,848, respectively, which are included in loss for the year. For further detail, refer to "Exploration and Evaluation Assets" and "Review of Financial Results".

Total assets has decreased in each of the years from March 31, 2014 to March 31, 2016 primarily as a result of cash used in operating activities which is detailed in "Liquidity and Capital Resources".

As of March 31, 2016, non-current financial liabilities relate to amounts payable to King & Bay West Management Corp. ("King & Bay West"), a related party, which were converted to a two year term loan effective February 15, 2016. Refer to "Related Party Transactions" for further detail of the term loan. As of March 31, 2015 and 2014, the Company did not have any non-current financial liabilities.

REVIEW OF FINANCIAL RESULTS

Results of Operations

During the year ended March 31, 2016, the Company reported a loss of $170,608 or $0.01 per share, compared to a loss of $220,695, or $0.01 per share, for the year ended March 31, 2015. The overall decrease in net loss of $50,087 for the year ended March 31, 2016 compared to the prior year is detailed below.

During the year ended March 31, 2016, the Company incurred business development expenses in the amount of $22,270 (March 31, 2015 - $3,931), representing an increase of $18,339 as a direct result of the Company evaluating a reverse takeover transaction and entering into a share exchange agreement with Sebnets Technologies Ltd. ("Sebnets"), as detailed below in "Sebnets Transaction". During the year ended March 31, 2016, the Company also incurred business development expenses to evaluate strategic options with respect to its exploration and evaluation assets as well as other opportunities.

Director fees remained consistent at $4,000 for each of the years ended March 31, 2016 and 2015 and related to compensation paid to the Chair of the Audit Committee.

During the year ended March 31, 2016, the Company did not incur any exploration and evaluation expenditures. During the year ended March 31, 2015, the Company incurred exploration and evaluation expenditures of $7,157 with respect to the Chuchi Property to maintain the claims and licenses in good standing.

Office, rent and administration expenses decreased by $1,480 during the year ended March 31, 2016 compared to the prior year as the Company continued to maintain administrative costs at reduced levels.

Professional fees for the year ended March 31, 2016 decreased to $18,819 compared to professional fees of $49,350 for the year ended March 31, 2015, representing a decrease of $30,531 which relates to the Company engaging a third party to provide additional financial and advisory services in prior years. These services were terminated as of July 24, 2014.

During the year ended March 31, 2016, transfer agent and filing fees increased to $29,851 compared to $19,547 incurred during the prior year. The increase of $10,304 was the result of regulatory filing fees payable in connection with the Sebnets Transaction, as detailed below in "Sebnets Transaction".

Wages and salaries for the year ended March 31, 2016 amounted to $37,032 (March 31, 2015 - $42,338) and decreased by $5,306 compared to the prior year. During the year ended March 31, 2016, the Company was focused on the Sebnets Transaction, as discussed in detail below. During the year ended March 31, 2015, the Company incurred personnel expenses in reviewing the status of its exploration and evaluation assets and assessing a gold project in Idaho, USA.

During the year ended March 31, 2016, the Company recorded an impairment of exploration and evaluation assets in the amount of $28,673 in relation to the Heidi and Shell Creek properties and capitalized reclamation costs. Refer to "Exploration and Evaluation Assets" for further discussion.

During the year ended March 31, 2015, the Company recorded an impairment of exploration and evaluation assets in the amount of $58,815 in relation to no longer proceeding on the Chuchi Property and capitalized reclamation costs on the Heidi and Shell Creek properties. Refer to "Exploration and Evaluation Assets" for further discussion.

The Company recorded an unrealized gain on marketable securities held during the year ended March 31, 2016 in the amount of $2,840 (March 31, 2015 – unrealized loss of $1,702) as a result of year end fair value adjustments.

SUMMARY OF QUARTERLY RESULTS

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

	Q4 March 31, 2015	Q3 December 31, 2014	Q2 September 30, 2014	Q1 June 30, 2014
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)

The Company has attempted to maintain low levels of expenditures for the past eight quarters due to challenging market conditions. During the quarters ended September 30, 2015, June 30, 2015 and March 31, 2015, the Company recorded impairment of exploration and evaluation assets which explains the increased losses reported for those periods.

FOURTH QUARTER

Results of Operations

During the three month period ended March 31, 2016, the Company reported a loss of $38,752 or $Nil per share, compared to a loss of $79,819, or $0.01 per share, for the three month period ended March 31, 2015. The overall decrease in net loss of $41,067 for the three month period ended March 31, 2016 compared to the three month period ended March 31, 2015 is detailed below.

During the three month period ended March 31, 2016, the Company incurred business development expenses in the amount of $8,598 (March 31, 2015 - $2,581), representing an increase of $6,017 as a result of the Company evaluating strategic options with respect to its exploration and evaluation assets as well as other opportunities.

Director fees remained consistent at $1,000 for each of the three month periods ended March 31, 2016 and 2015 and related to compensation paid to the Chair of the Audit Committee.

Office, rent and administration expenses increased by $1,816 during the three month period ended March 31, 2016 compared to the same period of the prior year in connection with increased business development initiatives and personnel costs during the quarter.

Professional fees remained consistent for the three month periods ended March 31, 2016 and 2015 and related to audit and tax compliance services in the amount of $4,375 for each period.

During the three month period ended March 31, 2016, transfer agent and filing fees increased to $6,710 compared to $2,298 incurred during the same period of the prior year due to the timing of costs incurred with respect to the annual general meeting of the Company's shareholders.

Wages and salaries for the three month period ended March 31, 2016 amounted to $10,225 (March 31 2015 - $7,282) and increased by $2,943 compared to the same period of the prior year in connection with business development initiatives during the period.

During the three month period ended March 31, 2015, the Company recorded an impairment of exploration and evaluation assets in the amount of $56,000 in relation to the Heidi and Shell Creek properties and capitalized reclamation costs. No impairment losses were recorded during the three month period ended March 31, 2016. Refer to "Exploration and Evaluation Assets" for further discussion.

The Company recorded an unrealized gain on marketable securities held during the three month period ended March 31, 2016 in the amount of $641 (March 31, 2015 –$Nil) as a result of period end fair value adjustments.

LIQUIDITY AND CAPITAL RESOURCES

Cash Flows

As at March 31, 2016, the Company had cash of $163,224 (March 31, 2015 - $337,865) and a working capital of $40,703 (March 31, 2015 – working capital deficiency of $297,643). The increase in working capital of $338,346 is due to the classification of amounts due to King & Bay West of $508,954 as non-current liabilities as of March 31, 2016 which were classified as current liabilities as of March 31, 2015, as discussed below in "Related Party Transactions". This increase in working capital was partially offset by the loss for the year ended March 31, 2016 in the amount of $170,608.

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 amounts due to a related party (see "Related Party Transactions"). Should the Company be requested to repay all of its financial liabilities, including the amounts due to a related party, or decide to advance its exploration and evaluation properties further or pursue new business opportunities, 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, 2016 amounted to $89,968, which consisted of the loss for the period of $170,608 and adjusted for an impairment of exploration and evaluation assets of $28,673, and an unrealized gain on marketable securities of $2,840. Loss for the period was further adjusted to determine cash used in operating activities for changes in non-cash working capital items, including an increase in amounts receivable of $607 for Goods and Services Tax ("GST") input tax credits paid, net of tax credits received; a decrease in prepaid expenses of $14 relating to annual listing fees and directors' and officers' insurance premiums, net of amortization; a decrease in accounts payable and accrued liabilities of $20,197; and an increase in amounts due to a related party of $75,597 due to monthly services provided by King & Bay West.

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 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 amounts due to a related party of $72,427 due to monthly services provided by King & Bay West.

Investing Activities

During the year ended March 31, 2016, the Company incurred reclamation costs in the amount of $84,673 with respect to the Heidi and Shell Creek properties. Refer to "Exploration and Evaluation Assets" for further details.

During the year ended March 31, 2015, the Company received government tax credits in the amount of $1,215 in relation to the Chuchi Property.

Financing Activities

There was no cash provided by or used in financing activities for the years ended March 31, 2016 or 2015.

STATEMENT OF FINANCIAL POSITION INFORMATION

	As at March 31, 2016	As at March 31, 2015
Cash	$ 163,224	$ 337,865
Marketable securities	3,980	1,140
Amounts receivable	1,774	1,167
Prepaid expenses	6,728	6,742
Deposits	11,500	11,500
Total Assets	**$ 187,206**	**$ 358,414**
Accounts payable and accrued liabilities	$ 122,320	$ 142,517
Due to related party	521,637	446,040
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	(17,814,341)	(17,643,733)
Total Liabilities and Equity (Deficiency)	**$ 187,206**	**$ 358,414**

Assets

Cash decreased by $174,641 during the year ended March 31, 2016 due to the Company's operating activities and reclamation costs incurred, as described in detail in "Liquidity and Capital Resources".

During the year ended March 31, 2016, marketable securities increased by $2,840 as a result of fair value adjustments at year end. The Company holds common shares of First Mining Finance Corp. (formerly "Coastal Gold Corp.") which increased in fair value by $2,965 as of March 31, 2016 compared to as of March 31, 2015. This increase was partially offset by a decrease of $125 in the fair value of the common shares of Inform Resources Corp. There were no additions to or disposals of marketable securities during the year ended March 31, 2016.

Amounts receivable increased by $607 during the year ended March 31, 2016 as a result of GST input tax credits paid, net of GST refunds received.

During the year ended March 31, 2016, prepaid expenses decreased by $14 in relation to the renewal of directors' and officers' insurance and annual listing costs, net of amortization.

There was no change in the balance of deposits during the year ended March 31, 2016. The deposits are held in relation to the Company's corporate credit card.

The balance of exploration and evaluation assets was $Nil as of March 31, 2016 and 2015. During the year ended March 31, 2016, the Company recorded a provision for future reclamation costs in the amount of $28,673 as a result of revised estimates with respect to the Heidi and Shell Creek properties. As the Company's accounting policy is to capitalize estimated future reclamation costs to the related asset and the Company has no immediate plans to advance the properties, an impairment loss in the amounts of $28,673 was recorded during the year ended March 31, 2016.

Liabilities

Accounts payable and accrued liabilities decreased by $20,197 during the year ended March 31, 2016 as a result of settling outstanding balances.

During the year ended March 31, 2016, the amounts due to a related party increased by $75,597 due to monthly services and shared facilities provided by King & Bay West. As of March 31, 2016, the amount payable to King & Bay West totalled $521,637 (March 31, 2015 - $446,040) and consisted of current and non-current amounts payable of $12,683 (March 31, 2015 - $446,040) and $508,954 (March 31, 2015 - $Nil), respectively. Refer to "Related Party Transactions" for further discussion of related party balances and transactions.

As of March 31, 2016, the balance of provision for future reclamation costs was $Nil (March 31, 2015 - $56,000) as the related reclamation work was completed on the Heidi and Shell Creek properties during the year ended March 31, 2016, 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, 2016.

Deficit increased by the loss for the year of $170,608.

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, 2016**	**Date of report**
Common shares	15,104,213	15,104,213
Director, employee and contractor options	-	-
Warrants to purchase shares	-	-
Fully diluted shares	**15,104,213**	**15,104,213**

There were no common share issuances during the years ended March 31, 2016 or 2015.

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,	
	2016	**2015**
Short-term benefits [1]	$ 13,737	$ 13,738

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

During the year ended March 31, 2016, transactions entered into with King & Bay West, other than key management personnel, amounted to $62,260 (March 31, 2015 - $59,240).

As of March 31, 2016, the amount payable to King & Bay West totalled $521,637 (March 31, 2015 - $446,040) and consisted of current and non-current amounts payable of $12,683 (March 31, 2015 - $446,040) and $508,954 (March 31, 2015 - $Nil), respectively. The current amount payable to King & Bay West is non-interest bearing, unsecured, and has no fixed terms for payment. The non-current amount payable to King & Bay West is non-interest bearing, unsecured, and becomes due on February 15, 2018.

On February 15, 2016, the Company entered into a term loan agreement with King & Bay West to convert amounts payable to King & Bay West in the amount of $508,954 into a two year term loan, subject to early repayment in the event the Company undergoes a change of control or completes a financing for no less than $1 million gross proceeds.

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

Significant estimates made by management affecting the accompanying audited 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, 2016.

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 amounts due to a 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 amounts due to a related party, 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 2017.

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.

Interest Rate Risk

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 precious metals. 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, 2016, the Company's expenditures are predominantly in Canadian dollars, and any future equity raised is expected to be predominantly in Canadian dollars. Management does not believe that the Company is exposed to significant foreign currency risk as at March 31, 2016 and the date of this MD&A.

Subsequent to the year ended March 31, 2016, the Company entered into an option agreement with respect to properties located in the United States for which expenditures will be incurred in US dollars, exposing the Company to currency risk. A significant change in the currency exchange rate between the Canadian and US dollars could have a material effect on the Company's financial results. The Company does not expect to enter into derivative contracts to manage currency risk.

PROPOSED TRANSACTION

Subsequent to the year ended March 31, 2016, the Company entered into an option agreement with respect to gold mineral exploration properties located in Nevada and Utah, USA and a concurrent financing which are detailed in "Subsequent Events". The option agreement and concurrent financing are subject to regulatory approval, including the approval of the TSX-V.

SEBNETS TRANSACTION

On September 14, 2015, the Company entered into a share exchange agreement (the "Share Exchange Agreement") with Sebnets and all of the shareholders of Sebnets with respect to the acquisition of Sebnets by the Company in a reverse take-over transaction (the "Sebnets Transaction").

The Sebnets Transaction was subject to approval of the TSX-V, approval of the Company's and Sebnets' shareholders, and other conditions customary for a transaction of this nature. On January 29, 2016, the Company terminated the Share Exchange Agreement with respect to the Sebnets Transaction.

SUBSEQUENT EVENTS

The following reportable events occurred subsequent to the year ended March 31, 2016:

a) On June 28, 2016, the Company incorporated Logan Resources (USA) Ltd. ("Logan USA"), a wholly-owned subsidiary.

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

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

   - incurring US$1,000,000 in cumulative exploration expenditures within 12 months after the closing of the Pilot Transaction which includes reimbursing Pilot Gold for 100% of the annual holding costs incurred by Pilot Gold prior to the closing of the Pilot Transaction during the 2016 calendar year;
   - issuing common shares of the Company to Pilot Gold equal to 9.9% of the issued and outstanding common shares after the closing of a concurrent financing (detailed below); and

- selecting four of the nine properties and returning the remaining five properties to Pilot Gold with a minimum of one year of the holding costs paid for by the Company.

The Company can earn a 70% interest in the Selected Properties by incurring additional expenditures of US$2,000,000 within 36 months of the closing date of the Pilot Transaction and issuing 1,000,000 common shares of the Company to Pilot Gold.

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

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

The Pilot Transaction is conditional upon the Company completing a concurrent financing. The Company intends to undertake a non-brokered private placement to raise up to $2,200,000 consisting of 22,000,000 units at a price of $0.10 per unit. Each unit will consist of one common share and one common share purchase warrant. Each common share purchase warrant provides the right to acquire one common share for a period of 36 months at an exercise price equal to $0.30. The Company intends to use the net proceeds raised to continue to evaluate and explore the properties and for general corporate and working capital purposes.

The Pilot Transaction and concurrent financing are subject to regulatory approval, including the approval of the TSX-V.

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.