



(An Exploration Stage Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018**

**(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)**

**NOTICE OF NO AUDITOR REVIEW OF
INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of Logan Resources Ltd. (the “Company”) have been prepared by and are the responsibility of the Company’s management.

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

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)
AS AT

	September 30, 2018	March 31, 2018
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 15,591	\$ 45,640
Short term investments (Note 6)	194,680	4,772
Amounts receivable	3,793	3,673
Prepaid expenses (Note 7)	5,413	57,295
	<u>219,477</u>	<u>111,380</u>
DEPOSIT (Note 8)	5,750	11,500
EXPLORATION AND EVALUATION ASSETS (Note 5)	-	550,743
RECLAMATION BONDS (Note 5)	-	39,871
	<u>5,750</u>	<u>602,114</u>
	<u>\$ 225,227</u>	<u>\$ 713,494</u>
LIABILITIES		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	\$ 151,784	\$ 140,637
Due to related party (Note 10)	689,467	591,318
Provision for future reclamation costs (Note 5)	-	18,051
	<u>841,251</u>	<u>750,006</u>
DEFICIENCY		
Capital stock (Note 9)	18,677,052	18,677,052
Other equity reserves (Note 9)	1,705,912	1,714,833
Accumulated other comprehensive loss	-	(3,059)
Deficit	<u>(20,998,988)</u>	<u>(20,425,338)</u>
	<u>(616,024)</u>	<u>(36,512)</u>
	<u>\$ 225,227</u>	<u>\$ 713,494</u>

Nature of operations and going concern (Note 1)
Subsequent event (Note 14)

Approved on November 9, 2018 on behalf of the Board of Directors:

Signed: “Stewart Wallis”

Signed: “Richard Grayston”

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

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND
COMPREHENSIVE LOSS**
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Three Month Periods Ended		Six Month Periods Ended	
	September 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017
		restated (Note 5)		restated (Note 5)
OPERATING ITEMS				
Business development	\$ 2,616	\$ 28,569	\$ 4,550	\$ 42,183
Director fees (Note 10)	1,000	1,000	2,000	2,000
Office, rent and administration	6,945	8,076	14,255	24,194
Professional fees	5,400	13,285	11,150	18,015
Share-based payments (recovery) (Note 9)	2,886	26,542	(8,921)	62,565
Transfer agent and filing fees	7,994	4,220	15,299	6,434
Wages and salaries (Note 10)	39,562	39,243	89,558	71,463
Finance income	(34)	(144)	(73)	(648)
Foreign exchange loss (gain)	(437)	5,086	348	6,812
Loss (gain) on short term investments (Note 6)	5,202	(132)	(812)	1,210
LOSS FROM CONTINUING OPERATIONS	(71,134)	(125,745)	(127,354)	(234,228)
Loss from discontinued operations (Note 5)	(503,393)	(307,998)	(441,168)	(592,383)
LOSS FOR THE PERIOD	(574,527)	(433,743)	(568,522)	(826,611)
Translation adjustment	(13,891)	(22,238)	(2,069)	(36,525)
Reclassification of translation adjustment upon sale of subsidiary (Note 5)	5,128	-	5,128	-
COMPREHENSIVE LOSS FOR THE PERIOD	\$ (583,290)	\$ (455,981)	\$ (565,463)	\$ (863,136)
LOSS PER SHARE				
Basic and diluted	\$ (0.01)	\$ (0.01)	\$ (0.01)	\$ (0.02)
LOSS FROM CONTINUING OPERATIONS PER SHARE				
Basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.01)
WEIGHTED AVERAGE SHARES OUTSTANDING				
Basic and diluted	42,737,750	42,737,750	42,737,750	42,737,750

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

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	Six Month Periods Ended September 30,	
	2018	2017
Operating activities:		
Loss for the period	\$ (568,522)	\$ (826,611)
Items not affecting cash:		
Gain on sale of exploration and evaluation assets	(13,000)	-
Gain on sale of subsidiary	(1,614,693)	-
Gain on settlement of exploration and evaluation assets	(26,000)	-
Impairment of amounts receivable	2,099,028	-
Reversal of impairment loss on exploration and evaluation assets	(48,000)	-
Share-based payments (recovery)	(8,921)	62,565
Unrealized loss (gain) on short term investments	(812)	1,210
Net change in non-cash working capital items:		
Amounts receivable	(120)	5,369
Prepaid expenses	48,981	169,833
Accounts payable and accrued liabilities	4,398	5,940
Due to related party	98,149	49,660
Cash used in operating activities	<u>(29,512)</u>	<u>(532,034)</u>
Investing activities:		
Advance royalty payments	(38,499)	(33,330)
Deposit received	5,750	-
Proceeds on sales of exploration and evaluation assets	20,500	-
Proceeds on sales of short term investments	12,404	-
Purchase of reclamation bond	-	(17,876)
Cash provided by (used in) investing activities	<u>155</u>	<u>(51,206)</u>
Net change in cash and cash equivalents during the period	(29,357)	(583,240)
Effect of foreign exchange on cash and cash equivalents	(692)	469
Cash and cash equivalents, beginning of the period	45,640	740,562
Cash and cash equivalents, end of the period	\$ 15,591	\$ 157,791
Cash and cash equivalents consist of:		
Cash	\$ 15,591	\$ 157,791
Liquid short term investments	-	-
	<u>\$ 15,591</u>	<u>\$ 157,791</u>
Cash received for:		
Interest	\$ 149	\$ 2,622
Taxes	-	-

Supplemental disclosure with respect to cash flows (Note 11)

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

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (DEFICIENCY)
FOR THE SIX MONTH PERIODS ENDED SEPTEMBER 30, 2018 AND 2017
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

	CAPITAL STOCK		OTHER EQUITY RESERVES	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)	DEFICIT	TOTAL
	NUMBER	AMOUNT				
Balance, March 31, 2017	42,737,750	\$ 18,677,052	\$ 1,604,881	\$ 21,561	\$ (19,304,813)	\$ 998,681
Share-based payments (Note 9)	-	-	62,565	-	-	62,565
Loss for the period	-	-	-	-	(826,611)	(826,611)
Translation adjustment	-	-	-	(36,525)	-	(36,525)
Balance, September 30, 2017	42,737,750	\$ 18,677,052	\$ 1,667,446	\$ (14,964)	\$ (20,131,424)	\$ 198,110
Balance, March 31, 2018	42,737,750	\$ 18,677,052	\$ 1,714,833	\$ (3,059)	\$ (20,425,338)	\$ (36,512)
Share-based payments (recovery) (Note 9)	-	-	(8,921)	-	-	(8,921)
Loss for the period	-	-	-	-	(568,522)	(568,522)
Translation adjustment	-	-	-	(2,069)	-	(2,069)
Sale of subsidiary (Note 5)	-	-	-	5,128	(5,128)	-
Balance, September 30, 2018	42,737,750	\$ 18,677,052	\$ 1,705,912	\$ -	\$ (20,998,988)	\$ (616,024)

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

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

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

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

On January 29, 2018, the Company entered into a definitive agreement with respect to a reverse takeover transaction and change of business to the technology industry (Note 4).

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

As at September 30, 2018, the Company had a working capital deficit of \$621,774 and had an accumulated deficit of \$20,998,988 which has been funded primarily by the issuance of equity. In the next twelve months, the Company will require additional funding to evaluate strategic opportunities (Note 4), for administrative overhead expenditures and working capital purposes.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34, *Interim Financial Reporting*. These condensed consolidated interim financial statements follow the same accounting policies and methods of computation as the most recent annual financial statements for the year ended March 31, 2018, which were prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”). Accordingly, these condensed consolidated interim financial statements should be read in conjunction with the Company’s most recent annual financial statements. Operating results for the six month period ended September 30, 2018 are not necessarily indicative of the results that may be expected for the year ending March 31, 2019.

Basis of consolidation

These condensed consolidated interim financial statements included the accounts of the Company and Logan Resources USA, Inc. (“Logan USA”) from the date of its incorporation on June 28, 2016 to August 24, 2018. On August 24, 2018, the Company sold all of the issued and outstanding shares of Logan USA to a third party (Note 5); and as a result the Company no longer has any control or interest in Logan USA.

All intercompany transactions and balances were eliminated on consolidation. The functional currency of Logan USA is the United States dollar.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

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

Critical accounting estimates and judgments

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

These condensed consolidated interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Judgments

The preparation of these condensed consolidated interim 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 condensed consolidated interim 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. 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.

Share-based payments

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

Fair value of equity investment

The Company holds shares of a privately held company for which a quoted market price in an active market is not available (Note 6). The Company estimates the fair value of this investment based on information available to management at each reporting date, including but not limited to recent financings completed and announcements with respect to corporate transactions.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the year ended March 31, 2018, and have been consistently followed in the preparation of these condensed consolidated interim financial statements, except as outlined below.

Financial instruments

Effective April 1, 2018, the Company adopted IFRS 9, *Financial Instruments* (“IFRS 9”). IFRS 9 provides three different measurement categories for non-derivative financial assets – subsequently measured at amortized cost, fair value through profit or loss (“FVTPL”) or fair value through other comprehensive income – while all non-derivative financial liabilities are classified as subsequently measured at amortized cost. The category into which a financial asset is placed and the resultant accounting treatment is largely dependent on the nature of the business of the entity holding the financial asset. All financial instruments are initially recognized at fair value.

The implementation of the new standard did not have a material impact on the measurement of the Company’s reported financial results; however additional disclosures have been provided.

Financial assets

The Company initially recognizes financial assets on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument. The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Company is recognized as a separate asset or liability.

The Company classifies all of its financial assets, except short term investments, as subsequently measured at amortized cost. Short term investments are classified as FVTPL with fair value determined (i) by reference to quoted market prices for publicly traded shares based on level one inputs under the fair value hierarchy, or (ii) based on level three inputs under the fair value hierarchy for shares held in private corporations. All financial assets that do not meet the criteria to be recognized as subsequently measured at amortized cost or subsequently measured at fair value through other comprehensive income are classified as FVTPL.

Financial liabilities

The Company measures all of its financial liabilities as subsequently measured at amortized cost. Financial liabilities are recognized initially at fair value, net of transaction costs incurred, and are subsequently measured at amortized cost. Any difference between the amounts originally received, net of transaction costs, and the redemption value is recognized in profit and loss over the period to maturity using the effective interest method.

4. PROPOSED TRANSACTION

On January 29, 2018, the Company entered into an amalgamation agreement with Voleo, Inc. (“Voleo”) with respect to a business combination of Voleo and the Company (the “Transaction”). Voleo is a mobile-focused fintech application company.

Prior to the closing of the Transaction, the Company will complete a consolidation of its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every five (5) pre-consolidation common shares. The exchange ratio for the Transaction shall be one (1) issued and outstanding Voleo common share to 1.7 common shares of the Company. All outstanding warrants and stock options of Voleo will automatically become exercisable for or shall be exchanged for shares of the Company, subject to all necessary adjustments to reflect the terms of the Transaction and subject to the terms governing the warrants and options. Voleo has completed bridge financing.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

4. PROPOSED TRANSACTION *(continued)*

The Transaction is subject to the following key conditions:

- Voleo will complete a private placement (the “Concurrent Financing”) for gross proceeds of up to \$10,000,000.
- The Company will settle amounts payable to King & Bay West Management Corp. outstanding as of January 26, 2018, which totalled \$560,554, by the issuance of 2,242,200 common shares (post-consolidation) (Note 10).
- The Transaction will have received the approval of the Exchange and all necessary corporate and shareholder approvals.
- The Company will receive a report of a sponsor in respect of the Transaction or waiver from the sponsorship requirement by the Exchange. The Company anticipates applying for a waiver of the sponsorship requirement in reliance upon completion of the Concurrent Financing.

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

5. DISCONTINUED OPERATIONS

During the six month period ended September 30, 2018, the Company disposed of its material exploration and evaluation interests as described below. As a result of these disposals and the Transaction (Note 4), the Company’s activities with respect to exploration and evaluation have been presented as discontinued operations, together with restated comparative figures.

Yukon Properties

The Company held 100% interests in properties located in the Dawson and Mayo Mining Districts of the Yukon Territory, including Heidi and Shell Creek.

On May 17, 2018, the Company and K2 Resources Inc. (“K2”) entered into a purchase and sale agreement with respect to the Yukon properties for consideration of cash in the amount of \$7,500 and 300,000 common shares of K2 with a fair value of \$40,500 (Note 6). As a result of the sale, the Company recorded a reversal of impairment in the amount of \$48,000 during the six month period ended September 30, 2018 which is included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss.

Gorilla Lake Property

Pursuant to a series of option agreements, Alpha Exploration Inc. (“Alpha”), a wholly-owned subsidiary of ALX Uranium Corp. (“ALX”), held an 80% interest in the Gorilla Lake Property located in Saskatchewan. The Company retained a 20% carried interest in the property.

On April 12, 2018, the Company entered into a settlement agreement with ALX whereby Alpha transferred its 80% interest in the Gorilla Lake Property to the Company. On the basis that the claims returned to the Company had less than two years of good standing, ALX issued 400,000 common shares with a fair value of \$26,000 to the Company as consideration (Note 6). As a result, the Company recorded a gain on settlement in the amount of \$26,000 during the six month period ended September 30, 2018 which is included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

5. DISCONTINUED OPERATIONS *(continued)*

Gorilla Lake Property *(continued)*

On May 21, 2018, the Company sold its 100% interest in the Gorilla Lake Property to an unrelated third party for cash consideration in the amount of \$13,000, resulting in a gain on sale in the amount of \$13,000 for the six month period ended September 30, 2018 which is included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss. The Company retains a 1% net smelter royalty (“NSR”) on the Gorilla Lake Property.

Logan USA

On August 24, 2018, the Company entered into a purchase and sale agreement with K2 for all of the issued and outstanding shares of Logan USA. K2 acquired the shares of Logan USA in return for 1,000,000 common shares of K2 with a fair value of \$135,000. K2 assumed all of the liabilities and obligations of Logan USA except for amounts payable of \$92,472 retained by the Company. As a result of this transaction, the Company no longer has any interest in Logan USA or its exploration and evaluation assets.

As of August 24, 2018, the date of disposition, the net liabilities of Logan USA amounted to \$1,572,165 and are summarized in the table below.

Prepaid expenses	\$	2,901
Exploration and evaluation assets		595,949
Reclamation bonds		40,313
Accounts payable and accrued liabilities		(85,723)
Due to related parties		(2,107,355)
Future reclamation provisions		(18,250)
<u>Net liabilities of Logan USA</u>	<u>\$</u>	<u>(1,572,165)</u>

During the six month period ended September 30, 2018, the Company recorded a gain on the sale of Logan USA in the amount of \$1,614,693 which is included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss. The determination of the gain on the sale of Logan USA is summarized in the table below.

Fair value of consideration received	\$	135,000
Liabilities assumed		(92,472)
<u>Net liabilities of Logan USA</u>		<u>1,572,165</u>
<u>Gain on sale of Logan USA</u>	<u>\$</u>	<u>1,614,693</u>

During the six month period ended September 30, 2018, the Company recorded an impairment loss in the amount of \$2,099,028 with respect to amounts previously due from Logan USA. The impairment loss is included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss. The Company also reclassified accumulated other comprehensive loss in the amount of \$5,128 to deficit as a result of the sale of Logan USA during the six month period ended September 30, 2018.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

5. DISCONTINUED OPERATIONS *(continued)*

Exploration and evaluation assets and expenditures

Changes in the balance of exploration and evaluation assets for the six month period ended September 30, 2018 and the year ended March 31, 2018 are summarized in the table below.

	Liberty USA	Angel Wing	Yukon Properties	Total
Acquisition costs, March 31, 2017	\$ 507,442	\$ 33,307	\$ -	\$ 540,749
Advance royalty payments	40,984	-	-	40,984
Future reclamation costs	18,051	-	-	18,051
Impairment	-	(32,098)	-	(32,098)
Effect of foreign currency translation	(15,734)	(1,209)	-	(16,943)
Acquisition costs, March 31, 2018	550,743	-	-	550,743
Advance royalty payments	38,499	-	-	38,499
Reversal of impairment	-	-	48,000	48,000
Proceeds on disposal	-	-	(48,000)	(48,000)
Effect of foreign currency translation	6,707	-	-	6,707
Sale of Logan USA	(595,949)	-	-	(595,949)
Acquisition costs, September 30, 2018	\$ -	\$ -	\$ -	\$ -

Liberty USA

As of August 24, 2018, Logan USA had earned a 51% interest in certain properties located in Nevada and Utah (the “Liberty USA Properties”). During the period from April 1, 2018 to August 24, 2018, Logan USA incurred expenses related to the Liberty USA Properties in the amount of \$34,088 to maintain the properties in good standing. During the six month period ended September 30, 2017, Logan USA incurred exploration and evaluation expenses related to the Liberty USA Properties in the amount \$572,193. Exploration and evaluation and property maintenance expenses are included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss.

During the period from April 1, 2018 to August 24, 2018, Logan USA paid advance minimum royalties in the amount of \$38,499 with respect to the Liberty USA Properties. During the year ended March 31, 2018, Logan USA paid advance minimum royalties in the amount of \$40,984 with respect to the Liberty USA Properties.

As at August 24, 2018, the balance of the provision for future reclamation costs related to the Liberty USA Properties was \$18,250 (March 31, 2018 - \$18,051).

As at August 24, 2018, the balance of reclamation bonds was held by the United States Department of the Interior Bureau of Land Management and related to the Liberty USA Properties in the amount of \$40,313 (March 31, 2018 - \$39,871).

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

5. DISCONTINUED OPERATIONS *(continued)*

Exploration and evaluation assets and expenditures *(continued)*

Angel Wing

Logan USA acquired a lease over certain unpatented gold mining claims located in Nevada (the “Angel Wing Property”) which was terminated effective May 25, 2018. During the year ended March 31, 2018, the Company recorded an impairment loss in the amount of \$32,098 with respect to the Angel Wing Property on the basis that the Company had no intention to further advance the property.

During the period from April 1, 2018 to August 24, 2018, Logan USA incurred no expenses related to the Angel Wing Property. During the six month period ended September 30, 2017, Logan USA incurred exploration and evaluation expenses related to the Angel Wing Property in the amount \$5,369. Exploration and evaluation and property maintenance expenses are included in the loss from discontinued operations in the condensed consolidated interim statements of loss and comprehensive loss.

During the year ended March 31, 2018, Logan USA paid an advance minimum royalty in the amount of \$33,330 originally due on March 13, 2017. The amount was included in exploration and evaluation assets and accounts payable and accrued liabilities as at March 31, 2017 in the amount of \$33,307 (Note 11).

Loss from discontinued operations

The loss from discontinued operations included in loss and comprehensive loss is presented below.

	Three Month Periods Ended		Six Month Periods Ended	
	September 30,		September 30,	
	2018	2017	2018	2017
Impairment of amounts receivable	\$ 2,099,028	\$ -	\$ 2,099,028	\$ -
Gain on sale of Logan USA	(1,614,693)	-	(1,614,693)	-
Reversal of impairment of exploration and evaluation assets	-	-	(48,000)	-
Gain on settlement of exploration and evaluation assets	-	-	(26,000)	-
Gain on sale of exploration and evaluation assets	-	-	(13,000)	-
Other expenses	19,058	307,998	43,833	592,383
Loss from discontinued operations	\$ 503,393	\$ 307,998	\$ 441,168	\$ 592,383

Cash flows from discontinued operations

Cash flows related to discontinued operations are presented below.

	Six Month Periods Ended September 30,	
	2018	2017
Net cash flows used in operating activities	\$ (8,801)	\$ (439,594)
Net cash flows used in investing activities	(17,999)	(51,206)
Net cash flows used in discontinued operations	\$ (26,800)	\$ (490,800)

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

6. SHORT TERM INVESTMENTS

The balance of short term investments consists of shares held and is summarized in the table below. The shares were issued to the Company in connection with its discontinued operations (Note 5).

	ALX Uranium Corp.	First Mining Gold Corp.	Inform Resources Corp.	K2 Resources Inc.	Total
Cost, March 31, 2017 and 2018	\$ -	\$ 40,000	\$ 32,500	\$ -	\$ 72,500
Additions (Note 5)	26,000	-	-	175,500	201,500
Disposals	(8,190)	(40,000)	(32,500)	-	(80,690)
Cost, September 30, 2018	\$ 17,810	\$ -	\$ -	\$ 175,500	\$ 193,310
Adjustment to fair value, March 31, 2017	\$ -	\$ (32,098)	\$ (32,325)	\$ -	\$ (64,423)
Fair value adjustment for the year	-	(3,518)	213	-	(3,305)
Adjustment to fair value, March 31, 2018	-	(35,616)	(32,112)	-	(67,728)
Fair value adjustment for the period	1,370	35,616	32,112	-	69,098
Adjustment to fair value, September 30, 2018	\$ 1,370	\$ -	\$ -	\$ -	\$ 1,370
Fair value, March 31, 2018	\$ -	\$ 4,384	\$ 388	\$ -	\$ 4,772
Fair value, September 30, 2018	\$ 19,180	\$ -	\$ -	\$ 175,500	\$ 194,680

ALX Uranium Corp., First Mining Gold Corp. and Inform Resources Corp. are publicly listed entities. K2 Resources Inc. is a privately held entity.

During the six month period ended September 30, 2018, the Company sold short term investments for cash proceeds in the amount of \$12,404 (September 30, 2017 - \$Nil).

Subsequent to the six month period ended September 30, 2018, the Company sold its remaining shares of ALX Uranium Corp. for cash proceeds in the amount \$18,875 (Note 14).

7. PREPAID EXPENSES

Prepaid expenses consist of the following:

	As at September 30, 2018	As at March 31, 2018
Other prepaid expenses	\$ 5,384	\$ 9,483
Insurance	29	14,364
Property claims maintenance (Note 5)	-	33,448
Total	\$ 5,413	\$ 57,295

8. DEPOSIT

As at September 30, 2018, the Company had \$5,750 (March 31, 2018 - \$11,500) as a deposit for a corporate credit card. The deposit is automatically renewed at maturity.

During the six month period ended September 30, 2018, the Company received \$5,750 as a partial redemption of the deposit.

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

9. CAPITAL STOCK AND OTHER EQUITY RESERVES

Authorized

Unlimited number of common shares without par value.

Share issuances

There were no common share issuances during the six month period ended September 30, 2018 or the year ended March 31, 2018.

Stock options

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

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

The following is a summary of stock option activity for the six month period ended September 30, 2018 and the year ended March 31, 2018:

	Number of Stock Options	Weighted Average Exercise Price
Outstanding, March 31, 2017	2,800,000	\$0.12
Granted	600,000	\$0.05
Outstanding, March 31, 2018	3,400,000	\$0.11
Forfeited	(1,000,000)	\$0.09
Outstanding, September 30, 2018	2,400,000	\$0.12

As at September 30, 2018, the following stock options were outstanding and exercisable:

Outstanding	Exercisable	Exercise Price	Remaining life (years)	Expiry Date
2,300,000	2,300,000	\$0.12	2.85	August 4, 2021
100,000	50,000	\$0.05	3.82	July 24, 2022
2,400,000	2,350,000			

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

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

Share-based payments

The Company recognizes share-based payments expense for all stock options granted using the fair value based method of accounting. The fair value of stock options is determined by the Black-Scholes Option Pricing Model with assumptions for risk-free interest rates, dividend yields, volatility factors of the expected market price of the Company's common shares, forfeiture rate, and expected life of the options. During the six month period ended September 30, 2018, the Company recorded a recovery of share-based payment expense in the amount of \$8,921 (September 30, 2017 – expense of \$62,565).

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values. The following weighted average assumptions were used to estimate the weighted average grant date fair values during the six month periods ended September 30, 2018 and 2017:

	Six Month Periods Ended September 30,	
	2018	2017
Risk-free interest rate	-	1.55%
Expected life	-	5 years
Annualized volatility	-	122.22%
Dividend yield	-	0%
Grant date fair value per option	-	\$0.04

Share purchase warrants

As at September 30, 2018 and March 31, 2018, the Company had 22,000,000 share purchase warrants outstanding. No share purchase warrants were issued, exercised or cancelled during the six month period ended September 30, 2018 or the year ended March 31, 2018.

As at September 30, 2018, the Company had the following share purchase warrants outstanding:

Outstanding	Exercise Price	Remaining Life (Years)	Expiry Date
22,000,000	\$0.30	0.84	August 3, 2019

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the condensed consolidated interim 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:

	Six Month Periods Ended September 30,			
	2018		2017	
Short-term benefits ⁽¹⁾	\$	16,869	\$	35,141
Share-based payments (Note 9)		8,469		50,242
Total	\$	25,338	\$	85,383

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

During the six month period ended September 30, 2018, transactions entered into with King & Bay West, other than key management personnel, amounted to \$78,606 (September 30, 2017 - \$95,160) for services as described above.

As at September 30, 2018, the amount due to a related party includes amounts payable to King & Bay West of \$689,467 (March 31, 2018 - \$591,318). The amount is non-interest bearing, unsecured, and has no fixed terms for payment. The Transaction is subject to the Company settling \$560,554 payable to King & Bay West by the issuance of common shares (Note 4).

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

During the six month period ended September 30, 2018:

- The Company recorded a gain on the sale of Logan USA in the amount of \$1,614,693, impaired the amount previously due from Logan USA in the amount of \$2,099,028, and reclassified accumulated other comprehensive loss in the amount of \$5,128 to deficit as a result of the sale (Note 5).
- The Company sold its interest in the Yukon properties for consideration of cash in the amount of \$7,500 and 300,000 common shares of K2 with a fair value of \$40,500, resulting in a reversal of impairment in the amount of \$48,000 (Note 5).
- The Company entered into a settlement agreement with ALX whereby ALX issued 400,000 common shares with a fair value of \$26,000 to the Company as consideration, resulting in a gain on settlement in the amount of \$26,000 (Note 5).

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

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

- The Company sold its interest in the Gorilla Lake Property to an unrelated third party for cash consideration in the amount of \$13,000, resulting in a gain on sale in the amount of \$13,000 (Note 5).

During the six month period ended September 30, 2017:

- As at March 31, 2017, accounts payable and accrued liabilities included an accrual for acquisition costs with respect to the Angel Wing Property in the amount of \$33,307 which represented the advance minimum royalty payment due on March 13, 2017 in the amount of US\$25,000. The payment was made during the six month period ended September 30, 2017 in the amount of \$33,330 (Note 5).

12. 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 evaluate and pursue strategic opportunities and to maintain a flexible capital structure for the benefit of its stakeholders, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. As the Company is in the exploration stage, its principal source of funds is from the issuance of common shares.

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

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

There were no changes to the Company's approach to capital management during the six month period ended September 30, 2018. The Company is not subject to externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

As at September 30, 2018, the Company's financial instruments consist of cash and cash equivalents, short term investments, amounts receivable, deposit, accounts payable and accrued liabilities and amounts due to a related party. The Company's financial instruments are subject to certain risks.

Credit risk

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

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 cash on hand. In the next twelve months, the Company will need additional funding to evaluate strategic opportunities, for administrative overhead expenditures and working capital purposes (Note 1).

LOGAN RESOURCES LTD.
(An Exploration Stage Company)
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED SEPTEMBER 30, 2018
Unaudited – Prepared by Management
(Expressed in Canadian Dollars)

13. FINANCIAL INSTRUMENTS *(continued)*

Market risk

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

Interest rate risk

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

Currency risk

As of September 30, 2018, 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 currently exposed to significant foreign currency risk.

Price risk

The Company is exposed to price risk with respect to its short term investments. 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 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. The Company's ability to raise capital to fund operations is subject to risks associated with equity prices.

14. SUBSEQUENT EVENT

The following event occurred subsequent to the six month period ended September 30, 2018:

The Company sold its remaining shares of ALX Uranium Corp. for cash proceeds in the amount \$18,875 (Note 6).