SYD FINANCIAL INC.
MANAGEMENT DISCUSSION & ANALYSIS
For the year ended March 31, 2017
(Prepared by Management)

This Management's Discussion and Analysis ("MD&A") is a review of the operations, current financial position and outlook for SYD Financial Inc. ("SYD" or the "Company"). This discussion should be read in conjunction with the Company's audited financial statements and accompanying notes for the year ended March 31, 2017, available through the SEDAR website at www.sedar.com.

The Company's financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's functional and reporting currency is the Canadian Dollar, unless otherwise stated.

All information contained in this MD&A is current as of July 28, 2017, unless otherwise stated.

Caution Regarding Forward Looking Statements

This MD&A contains forward-looking statements. Forward-looking statements are projections of events, revenues, income, future economic performance or management's plans and objectives for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as "may", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "potential" or "continue" or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company's business plans; the costs and timing of its developments; its future investments and allocation of capital resources; success of acquiring an asset or business; requirements for additional capital. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions, our lack of operating history; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; failure of any asset or business acquired to operate as anticipated; delays in financing or incompletion of business or asset acquisition, any of which may cause our or our industry's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgment regarding the direction of the Company's business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements to conform these statements to actual results.

Nature of Business

The Company was incorporated under the Business Corporations Act (British Columbia) on February 18, 2015. The principal business of the Company is to identify, evaluate and then acquire an interest in a business or assets. On July 16, 2015, the Company entered into a Plan of Arrangement with Alchemist Mining Inc. ("Alchemist") and became a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

On July 10, 2017, the Company entered into a Securities Exchange Agreement, whereby the Company will acquire all of the issued and outstanding common shares of 1109692 B.C. Ltd. ("Numberco") in exchange for common shares of the Company. It is contemplated that on closing of the Securities Exchange Agreement, Numberco will become a wholly-owned subsidiary of the Company and the business of Numberco will become the business of the Company.

The principal business office of the Company is located at 303 – 570 Granville Street, Vancouver, British Columbia, Canada V6C 3P1. The Company's main contact is its President, Mr. Keith Anderson. The Company's phone number is 604-786-7774.

The registered office and records of the Company are located at 800-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

Overall Performance

On July 16, 2015, the Company completed the Arrangement with Alchemist. Pursuant to the Arrangement, the Company issued 2,158,365 common shares to shareholders of Alchemist in exchange for Class 3 reorganization shares of Alchemist. Alchemist subsequently redeemed all of the Class 3 reorganization shares by the transfer to the Company of $15,000 in cash and a promissory note in the principal amount of $29,000, and the Company redeemed the initial one common share held by Alchemist for $1, with the result that the shareholders of Alchemist held all the shares of the Company. The promissory note is due on demand and bears no interest.

On July 10, 2017, the Company entered into a Securities Exchange Agreement with 1109692 B.C. Ltd. ("Numberco") and the holders of Numberco pursuant to which the Company will (i) purchase all of the issued and outstanding shares of Numberco in exchange for common shares of the Company, on the basis of one (1) share of the Company for each one (1) share of Numberco and (ii) purchase all of the issued and outstanding warrants of Numberco in exchange for warrants of the Company (the "Replacement Warrants"). Each Replacement Warrant will be exercisable at an exercise price of $0.05 per share until April 19, 2027.

It is contemplated that, upon closing of the Securities Exchange Agreement, Numberco will become a wholly-owned subsidiary of the Company, and the business of Numberco will become the business of the Company. The transaction is considered to be a "Restructuring Transaction" as defined under National Instrument 51-102 ("NI 51-102"), and remains subject to approval by the board of directors of the Company and the board of directors of Numberco, as well as all other approvals required for completion of the transaction, including regulatory approvals.

Selected Annual Information

	2017	2016	Incorporation date February 18, 2015 to March 31, 2015
Revenues	$Nil	$Nil	$Nil
Expenses	$29,728	$18,512	$Nil
Net Loss	$(29,728)	$(18,512)	$Nil
Basic and diluted loss per share	$(0.01)	$(0.01)	$(0.00)
Total Assets	$14,063	$29,924	$1
Total Liabilities	$18,303	$4,436	$Nil

Results of Operations

During the year ended March 31, 2017, the Company did not have an operating business and continued to search for and identify suitable operating business or business opportunities. The Company has had no revenues since its inception.

The Company's expenses for the year ended March 31, 2017 were $29,728, compared to $18,512 for the year ended March 31, 2016. During the year ended March 31, 2017, the Company incurred accounting, legal and audit fees of $10,756 (2016 - $15,694) and transfer agent and filing fees of $2,797 (2016 - $2,818). The Company also paid corporate administration fees of $16,000 to Alchemist (2016 - $Nil). The increase in corporate administration fees was due to ongoing reporting obligations following the Company becoming a reporting issuer in July, 2015, as well as the increased activity of the Company related to identifying and evaluating proposed transactions.

Summary of Quarterly Financial Results

Results for the most recent quarters including the last quarter ended March 31, 2017 are as follows:

For the Quarterly Period ended:	March 31, 2017	December 31, 2016	September 30, 2016	June 30, 2016
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	(17,742)	(10,829)	(1,050)	(107)
Net loss per common share, basic and diluted	$(0.01)	$(0.01)	$(0.00)	$(0.00)

For the Quarterly Period ended:	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015
Total revenues	$Nil	$Nil	$Nil	$Nil
Net loss for the period	(1,722)	-	(4,737)	(12,053)
Net loss per common share, basic and diluted	$(0.00)	$(0.00)	$(0.00)	$(12,053)

Liquidity and Capital Resources

As at March 31, 2017, the Company had a working capital deficiency of $4,240 (2016 – working capital of $25,488), consisting primarily of cash in trust and a promissory note receivable from Alchemist, offset by accounts payable and accrued liabilities and notes payable.

To address working capital requirements for fiscal 2017, the Company issued notes payable in the aggregate principal amount of $12,500. These notes payable are bearing interest at 10% per annum and are due on demand.

Future Cash Requirements

As the Company currently does not generate cash flows from operations, the Company expects that it will need to raise additional funds through debt or equity financing. If additional funds are raised through the issuance of equity securities, the percentage ownership of current shareholders will be reduced and such equity securities may have rights, preferences, or privileges senior to those of the holders of the Company's common shares. No assurance can be given that additional financing will be available, or that it can be obtained on terms acceptable to the Company or its shareholders.

Going Concern

At present, the Company's operations do not generate cash flow and its financial success is dependent on management's ability to raise adequate financing on reasonable terms and to commence profitable operations in the future. Due to the uncertainty of the Company's ability to meet its current operating and capital expenses, in their report on the Company's annual financial statements for the year ended March 31, 2017, the Company's independent auditors included an explanatory paragraph regarding concerns about the Company's ability to continue as a going concern. Should the Company be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the balance sheets. The Company's financial statements do not include adjustments that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

Off-Balance Sheet Arrangements

The Company did not enter into any off-balance sheet arrangements as at March 31, 2017 or as of the date of this report.

Related Party Transactions

Current directors and officers of the Company are as follows:

Keith Anderson, President, CEO and Secretary
Joseph Meagher, CFO and Director
Blair Naughty, Director

During the year ended March 31, 2017, the Company paid $16,000 (2016 - $nil) to Alchemist for corporate administration costs. During the year ended March 31, 2017, Keith Anderson was the president and a director of Alchemist and Joseph Meagher was the CFO and a director of Alchemist.

Fourth Quarter

During the quarter ended March 31, 2017, the Company continued its search to identify and evaluate business opportunities. The Company had no revenue for the quarters ended March 31, 2017 and 2016. The Company's expenses were $17,742 for the quarter ended March 31, 2017, compared to $1,722 for the quarter ended March 31, 2016. This increase was primarily attributable to corporate administration fees paid to Alchemist in exchange for services provided.

Proposed Transactions

Other than the Securities Exchange Agreement with Numberco as discussed herein, the Company has no proposed transactions.

Commitments

At March 31, 2017, and the date of this MD&A, the Company has no commitments.

Accounting Standards, Amendments and Interpretations not yet Effective

Accounting standards issued but not yet effective

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective.

Management anticipates that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's financial statements is provided below. Certain other new standards and interpretations have been issued, but are not expected to have an impact on the Company's financial statements.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which reflects all phases of the financial instruments project and replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Retrospective application is required, but comparative information is not compulsory. Early application of previous versions of IFRS 9 (2009, 2010 and 2013) is permitted if the date of initial application is before 1 February 2015. The adoption of IFRS 9 may have an effect on the classification and measurement of the Company's financial assets, but no impact on the classification and measurement of the Company's financial liabilities.

IFRS 16 Leases

In January 2016, the IASB issued IFRS 16 Leases ("IFRS 16") which replaces IAS 17, Leases and its associated interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to the current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting remains similar to current accounting practice. The standard is effective for annual periods beginning on or after January 1, 2019, with early application permitted for entities that apply IFRS 15. The Company is currently evaluating the impact of IFRS 16 on its financial statements.

Financial and Other Instruments

The Company's financial instruments consist of cash, promissory note receivable, accounts payable and accrued liabilities, and notes payable. The carrying values of these financial instruments approximate their fair values, unless otherwise noted. The Company is exposed to credit risk and liquidity risk in respect of these financial instruments, as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing with organizations of high credit worthiness. The Company has minimal credit risk. The Company has credit risk with respect to the promissory note receivable.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements. At March 31, 2017, the Company has cash, in trust of $80,886 available to apply against short-term business requirements and current liabilities of $93,303. All of the liabilities are due within 90 days.

Other MD&A Requirements

Additional Disclosure for Venture Issuers without Significant Revenue

General and administrative expenses include bookkeeping and administration costs to contractors to maintain the Company's accounting and reporting system and professional fees in connection with the Company's search to identify a suitable operating business or business opportunity.

The Company did not capitalize or defer any costs during the years ended March 31, 2017 and 2016.

Significant components of general and administrative expenses during the years ended March 31, 2017 and 2016 were as follows:

	Year ended March 31,	
	2017	**2016**
Accounting, legal and audit	$10,756	$15,694
Corporate administration fees	16,000	-
Transfer agent and filing fees	2,797	2,818
Interest expense	175	-
Total general and administrative costs	$29,728	$18,512

Outstanding Share Data

As of March 31, 2017 and July 28, 2017, the Company had 2,158,365 shares of common stock issued and outstanding.

As of March 31, 2017 and July 28, 2017, the Company did not have any share purchase warrants or options outstanding.

Risks and Uncertainties

The Company believes that the following risks and uncertainties may materially affect its success.

Limited Operating History

The Company is a relatively new company with limited operating history and no history of business operations or revenue generation. The Company was incorporated on February 18, 2015 and has yet to generate a profit from its activities. The Company is subject to all of the business risks and uncertainties associated with any new business enterprise, including the risk that it will not achieve its objective of acquiring a business or an asset.

Substantial Capital Requirements and Liquidity

Substantial additional funds for the acquisition of a business or an asset will be required. No assurances can be given that the Company will be able to raise the additional funding that may be required for such activities. To meet such funding requirements, the Company will be required to undertake additional equity financing, which would be dilutive to shareholders. Debt financing, if available, may also involve restrictions on financing and operating activities. There is no assurance that additional financing will be available on terms acceptable to the Company or at all.

Competition

The Company will compete with other companies, many of which have greater financial, technical and other resources than the Company, for, among other things, the acquisition of assets and businesses, as well as for the recruitment and retention of qualified employees and other personnel.

Reliance on Management and Dependence on Key Personnel

The success of the Company will be largely dependent upon on the performance of the directors and officers and the ability to attract and retain key personnel. The loss of the services of these persons may have a material adverse effect on the Company's business and prospects. The Company will compete with numerous other companies for the recruitment and retention of qualified employees and contractors. There is no assurance that the Company can maintain the service of its directors and officers or other qualified personnel required to operate its business. Failure to do so could have a material adverse effect on the Company and its prospects.

Conflicts of Interest

Certain of the directors and officers of the Company will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies and, as a result of these and other activities, such directors and officers of the Company may become subject to conflicts of interest. The British Columbia Business Corporations Act ("BCBCA") provides that in the event that a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director must disclose his interest in such contract or agreement and refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

No Assurance that Share Exchange will be Completed

Completion of the acquisition of Numberco pursuant to the Securities Exchange Agreement remains subject to a number of conditions, including, but not limited to, receipt of the requisite approvals form the directors of the Company, satisfaction of standard closing conditions for transactions of this nature, and regulatory approval. There can be no assurance that the Securities Exchange Agreement will be completed as proposed or at all.

Litigation

The Company and/or its directors may be subject to a variety of civil or other legal proceedings, with or without merit.

Additional Information

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