

SYD FINANCIAL INC.

**Condensed Interim Financial Statements
September 30, 2017
(Unaudited – Expressed in Canadian Dollars)**

SYD FINANCIAL INC.
Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	September 30, 2017	March 31, 2017
		(Unaudited)	
ASSETS			
Current assets			
Cash		\$ 3,627	\$ 5,886
Sales tax recoverable		1,144	6
Promissory note receivable	4	-	8,171
Total assets		\$ 4,771	\$ 14,063
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	5	9,082	5,628
Accrued interest payable	7	801	175
Advances payable	6	20,000	-
Notes payable	7	12,500	12,500
Total liabilities		42,383	18,303
SHAREHOLDERS' EQUITY			
Capital stock	8	44,000	44,000
Deficit		(81,612)	(48,240)
Total shareholders' equity		(37,612)	(4,240)
Total liabilities and shareholders' equity		\$ 4,771	\$ 14,063

Nature and Continuance of Operations (Note 1)

Approved on behalf of the Board:

Keith Anderson (signed)
Keith Anderson, Director

Spencer Smyl, (signed)
Spencer Smyl, Director

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

SYD FINANCIAL INC.**Condensed Interim Statements of Operations and Comprehensive Loss
For the Three and Six Months Ended September 30, 2017 and 2016
(Unaudited – Expressed in Canadian Dollars)**

	Note	Three months ended September 30,		Six months ended September 30,	
		2017	2016	2017	2016
OPERATING EXPENSES					
Corporate administration and consulting	9	\$ 6,525	\$ -	\$ 14,696	\$ -
Interest and finance charges		315	-	627	-
Office and miscellaneous		296	-	296	-
Professional fees		9,072	1,050	14,491	1,157
Shareholder and investor relations		1,355	-	1,355	-
Transfer agent and filing fees		1,858	-	1,907	-
NET LOSS AND COMPREHENSIVE LOSS		(19,421)	(1,050)	(33,372)	(1,157)
Loss per share					
Basic and diluted	10	(\$0.01)	(\$0.00)	(\$0.02)	(\$0.00)
Weighted average number of shares outstanding					
Basic and diluted	10	2,158,365	2,158,365	2,158,365	2,158,365

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

SYD FINANCIAL INC.
Condensed Interim Statements of Cash Flows
For the Six Months Ended September 30, 2017 and 2016
(Unaudited – Expressed in Canadian Dollars)

	Six months ended September 30,	
	2017	2016
OPERATING ACTIVITIES		
Net loss	\$ (33,372)	\$ (1,157)
Changes in non-cash working capital items:		
Increase in sales tax recoverable	(1,138)	(133)
Increase in accounts payable and accrued liabilities	11,625	1,178
Increase in interest payable	626	-
Cash used in operating activities	(22,259)	(112)
FINANCING ACTIVITIES		
Advances from Numberco	20,000	-
Cash flows relating to financing activities	20,000	-
Net decrease in cash	(2,259)	(112)
Cash, beginning of period	5,886	168
Cash, end of period	\$ 3,627	\$ 56

Supplemental Disclosure with respect to cash flows (Note 11)

At September 30, 2017, cash of \$Nil (March 31, 2017- \$5,886) was held in trust.

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

SYD FINANCIAL INC.

Condensed Interim Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number	Share Capital	Deficit	Total Shareholders' Equity
Balance, April 1, 2016	2,158,365	\$ 44,000	\$ (18,512)	\$ 25,488
Net loss and comprehensive loss	-	-	(29,728)	(29,728)
Balance, March 31, 2017	2,158,365	\$ 44,000	\$ (48,240)	\$ (4,240)
Net loss and comprehensive loss	-	-	(33,372)	(33,372)
Balance, September 30, 2017	2,158,365	\$ 44,000	\$ (81,612)	\$ (37,612)

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

SYD FINANCIAL INC.

Notes to the Condensed Interim Financial Statements

September 30, 2017

(Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

SYD Financial Inc. (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.

The address of its head office is located at 303 – 570 Granville Street, Vancouver, British Columbia, Canada V6C 3P1. The address of its registered office is 800-885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3H1.

These financial statements have been prepared on a going concern basis in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At September 30, 2017, the Company had not yet achieved profitable operations and expects to incur further losses in the development of its business. These conditions represent a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these financial statements.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. The condensed interim financial statements of the Company should be read in conjunction with the Company's financial statements for the year ended March 31, 2017, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

(b) Approval of the financial statements

The financial statements of the Company for the three months ended September 30, 2017 were reviewed by the Audit Committee and approved and authorized for issue on November 29, 2017 by the Board of Directors of the Company.

SYD FINANCIAL INC.

Notes to the Condensed Interim Financial Statements

September 30, 2017

(Expressed in Canadian Dollars)

2. BASIS OF PRESENTATION – Continued

(c) Basis of presentation

The financial statements are presented in Canadian dollars, which is also the Company's functional currency. The financial statements of the Company have been prepared on an accrual basis except for cash flow information, and are based on historical costs, except for certain financial instruments, which are stated at their fair values.

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed interim financial statements have been prepared, for all periods presented, following the same accounting policies and methods of computation as described in Note 3 to the audited financial statements for the year ended March 31, 2017.

4. PROMISSORY NOTE RECEIVABLE

On July 16, 2015, the Company received a promissory note receivable in the principal amount of \$29,000 from Alchemist (Note 1). The promissory note was due on demand and was bearing no interest.

At March 31, 2017, the remaining principal amount due under the promissory note receivable was \$8,171. During the six months ended September 30, 2017, accounts payable of \$8,171 (2016 - \$nil) for corporate administration costs due to Alchemist were offset against the remaining principal balance receivable from Alchemist under the promissory note. At September 30, 2017, the promissory note had been repaid in full and was no longer outstanding.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized on the statements of financial position consist of the following:

	September 30,		March 31,
	2017		2017
Trade payables	\$ 6,082	\$	70
Accrued liabilities	3,000		5,558
Total accounts payable and accrued liabilities	\$ 9,082	\$	5,628

SYD FINANCIAL INC.

Notes to the Condensed Interim Financial Statements

September 30, 2017

(Expressed in Canadian Dollars)

6. ADVANCES PAYABLE

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 15,200,001 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 15,200,000 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.

Numberco is a private mineral exploration company with an exploration and evaluation stage property located in Quebec, Canada. It is contemplated that, upon closing of the Securities Exchange Agreement, Numberco will become a wholly-owned subsidiary of the Company, and the transaction will constitute a reverse take-over of the Company by the Numberco.

The transaction 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.

During the six months ended September 30, 2017, Numberco advanced \$20,000 to the Company to pay for operating expenses. This amount is unsecured, non-interest bearing and is repayable on demand.

7. NOTES PAYABLE

During the year ended March 31, 2017, the Company issued five promissory notes for \$2,500 each in the aggregate principal amount of \$12,500. The promissory notes are unsecured, bear interest at 10% per annum, and are due on demand.

During the three and six months ended September 30, 2017, the Company incurred interest expense of \$315 and \$627, respectively (2016 - \$nil and \$nil, respectively) in connection with the promissory notes payable. At September 30, 2017, accrued interest payable was \$801 (March 31, 2017 - \$175).

Subsequent to September 30, 2017, the promissory notes, along with all accrued and unpaid interest, were repaid in full.

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Notes to the Condensed Interim Financial Statements
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(Expressed in Canadian Dollars)

8. SHARE CAPITAL

(a) Authorized

Unlimited number of common shares and preferred shares without par value.

Issued and outstanding

Six Month Period Ended September 30, 2017

There were no share issuances during the six-month period ended September 30, 2017.

Year Ended March 31, 2017

There were no share issuances during the year ended March 31, 2017.

(b) Share purchase warrants

As of September 30, 2017 and March 31, 2017, there are no outstanding share purchase warrants outstanding.

(c) Stock options

As of September 30, 2017 and March 31, 2017, there are no outstanding stock options outstanding.

9. RELATED PARTY TRANSACTIONS

During the three and six months ended September 30, 2017, the Company paid \$nil and \$8,171, respectively (2016 - \$nil and \$nil, respectively) to Alchemist for corporate administration costs. At the time of such transactions, Alchemist was related to the Company by virtue of common officers and directors.

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Notes to the Condensed Interim Financial Statements

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(Expressed in Canadian Dollars)

10. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Three months ended		Six months ended	
	September 30,		September 30,	
	2017	2016	2017	2016
Net loss	\$ (19,421)	\$ (1,050)	\$ (33,372)	\$ (1,157)
Weighted average number of common shares outstanding - basic and diluted	2,158,365	2,158,365	2,158,365	2,158,365

The basic loss per share is computed by dividing net loss by the weighted average number of common shares outstanding during the year. The diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. The Company did not have any outstanding stock options or share purchase warrants during the three and six months ended September 30, 2017 or 2016.

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows.

During the six months ended September 30, 2017, accounts payable of \$8,171 were offset against a promissory note receivable. This transaction was excluded from the statement of cash flows.