

51-102F3
MATERIAL CHANGE REPORT

Item 1 Name and Address of Company

SYD Financial Inc. (the “**Company**”)
Suite 303, 570 Granville Street
Vancouver, BC V6C 3P1

Item 2 Date of Material Change

June 26, 2019

Item 3 News Release

The news release was disseminated through NewsWire and Stockwatch.

Item 4 Summary of Material Change

On June 26th, 2019, the Company announced that it had entered into a non-binding Letter of Intent with respect to a proposed business combination transaction with Santa Marta Life Sciences Corp., a British Columbia based company involved in the growing, production and distribution of cannabis, hemp and related value added products, with an initial focus on Colombia and the European Union markets.

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

See attached News Release.

5.2 Disclosure for Restructuring Transactions

N/A

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

N/A

Item 7 Omitted Information

None

Item 8 Executive Officer

Keith Anderson, CEO and Director, (604) 786-7774

Item 9 Date of Report

July 5, 2019

SYD FINANCIAL INC.
303 – 570 Granville Street
Vancouver, BC V6C 3P1

FOR IMMEDIATE RELEASE

June 26, 2019

SYD FINANCIAL INC. ANNOUNCES LETTER OF INTENT FOR PROPOSED REVERSE TAKEOVER

Vancouver, B.C. – **Syd Financial Inc.** (the “**Company**” or “**Syd**”) (CSE: SYDF) is pleased to announce that it has entered into a non-binding Letter of Intent (“**LOI**”) with respect to a proposed business combination transaction (the “**Transaction**”) with Santa Marta Life Sciences Corp., a British Columbia based company (“**SMLS**”) involved in the growing, production and distribution of cannabis, hemp and related value added products, with an initial focus on Colombia and the European Union markets. With its primary operations located in Colombia SMLS is positioned to become a global leader in premium cannabis and hemp production and processing. The SMLS geographic advantage, reduced energy costs, and cheap skilled labour force combined with proven Canadian growing techniques and advanced processing technology, will allow it to produce the highest-quality cannabis oils at a fraction of the cost of its North American and European competitors. The licensed facility in Santa Marta, Colombia will be EU GMP certified, and is managed by a team of industry, business leaders in both Canada and Colombia. With this exceptional team, SMLS is leading the path in providing cost-effective and clinically-tested cannabis oils to medical users around the world. SMLS has a wholly owned subsidiary, VDL Colombia SAS, who is licensed by the Colombian Ministry of Justice to cultivate, extract, process, sell B2B domestically, direct to consumer with INVIMA approval and export of non-psychoactive cannabis, with the equivalent licenses for THC from the Ministry of Justice and Ministry of Health expected in the end of Q3/Q4 2019. They have also recently applied for the license to import, export, and sell cannabis seeds and genetics.

The Transaction is expected to result in a reverse takeover of the Company by SMLS, and to constitute a change of business from a mineral exploration company to a company engaged in the cannabis industry. The Transaction will be a “fundamental change” under the policies of the Canadian Securities Exchange (the “**CSE**”). There may be a finder's fee payable, subject to regulatory approval.

SMLS is a British Columbian company operating in Colombia, through its wholly-owned Colombian subsidiary, to develop cannabis oils and products for the international medical marketplace. Further details concerning SMLS, its operations, management, and financial status will be provided following completion of due diligence investigations and the negotiation of a definitive agreement in respect of the Transaction (the “**Definitive Agreement**”).

Completion of the Transaction is conditional upon, among other things, due diligence, the negotiation and signing of a Definitive Agreement by the parties, applicable board and shareholder approvals, third party, regulatory and CSE approval. The legal structure for the Transaction will be determined after the parties have considered all applicable tax, securities law, and accounting considerations. The resulting issuer intends to carry on the business currently carried on by SMLS upon completion of the Transaction. There can be no guarantees that the Transaction will be completed as proposed or at all. Upon successful completion of the Transaction, the Company seeks to retain its listing on the CSE.

The Company has requested that trading be halted pending completion of a Definitive Agreement and the CSE and IIROC have agreed to the regulatory halt. Further comprehensive information regarding the Transaction will be provided in a future press release at such time the parties execute a Definitive Agreement.

SYD Financial Inc.

On behalf of the Board of Directors,

“Keith Anderson”

Keith Anderson, CEO, Secretary and Director, Syd Financial Inc.

For further information on the Company, please e-mail kanderson7774@gmail.com

Keith Anderson
Syd Financial Inc.
(604) 786-7774

The Canadian Securities Exchange (operated by CNSX Markets Inc.) has in no way passed upon the merits of the proposed RTO and has neither approved nor disapproved of the contents of this press release.

Disclaimer for Forward-Looking Information

Certain statements in this press release are forward-looking statements and are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements, including: the receipt of all necessary regulatory approvals, the ability to conclude the RTO, capital expenditures and other costs, and financing and additional capital requirements. These statements generally can be identified by the use of forward-looking words such as “may”, “should”, “will”, “could”, “intend”, “estimate”, “plan”, “anticipate”, “expect”, “believe” or “continue”, or the negative thereof or similar variations. Forward-looking statements in this news release include statements regarding the completion of the proposed Transaction, the listing of the shares of the resulting issuer on the CSE and the anticipated business plan of the Company subsequent to completion of the Transaction. Although management of the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements or forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and forward looking information. The Company assumed no obligation to update any forward-looking statements or forward-looking information that are incorporated by reference herein, except as required by applicable securities laws.