MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
As at February 28, 2018
Date: March 21, 2018

The following discussion and analysis provide a review of activities, results of operations and financial condition of Sumtra Diversified Inc. (the "Company") for the six months ended February 28, 2018 in comparison with those for the six months ended February 28, 2017. It should be read in conjunction with the audited Financial Statements and accompanying notes of the Company for the respective years ended August 31, 2017 and August 31, 2016.

Results of continuing operations of the core business

During the six months ended February 28, 2018, the Company incurred expenses of $30,247 compared with $62,504 for the corresponding six months ended February 28, 2017. The decrease was due in large part to the fact that the Company incurred significantly less in professional fees in the most recent six month period by comparison to the prior period. The prior period included professional fees related to a potential business combination transaction.

Revenue increased to $1,510 for the six months ended February 28, 2018 from $1,351 for the six months ended February 28, 2017.

The net loss for the six months ended February 28, 2018 was $(28,737) compared to a net loss of $(61,153) for the six months ended February 28, 2017.

Two Year Quarterly Financial Information (Figures in thousands except per share amounts)

Quarter	Revenue	Net (Loss)	Net(Loss)per share	
2018				
Q2	1	(12)	$ (0.002)	
Q1	1	(17)	$ (0.003)	
2017				
Q4	-	(20)	$ (0.003)	
Q3	1	(8)	$ (0.001)	
Q2	-	(32)	$ (0.005)	
Q1	1	(29)	$ (0.004)	
2016				
Q4	-	(26)	$ (0.003)	
Q3	1	(11)	$ (0.002)	

Working Capital and Liquidity

Working capital, the excess of current assets over current liabilities, decreased to $268,367 at February 28, 2018 compared to $297,104 at August 31, 2017. The Company has no current plans for any major expenditures going forward and is maintaining its cash resources in secure short-term bank certificates of deposit to ensure cash is available to fund current operating overheads.

Outstanding Share Data

The Company has an unlimited number of authorized common shares.

The number of issued and outstanding common shares at February 28, 2018 was 6,237,400.

Selected Annual Information

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		Aug-31 2017		Aug-31 2016		Aug-31 2015
Total Revenue	$	2,330	$	3,143	$	702,959
Net Income (Loss)	$	(89,395)	$	(84,494)	$	322,621
Income (Loss) per share-Basic and Diluted	$	(0.01)	$	(0.01)	$	0.05
Total assets	$	310,710	$	413,476	$	487,640
Total non-current financial liabilities	$	nil	$	nil	$	nil
Cash dividends declared per-share	$	nil	$	nil	$	nil

Related Party Transactions

During the six months ended February 28, 2018 $5,424 (2017 - $5,424) was paid for routine corporate secretarial and accounting services to a shareholder and officer of the Company.

Letter of Intent

On January 10, 2018 the Company entered into a binding letter of intent to acquire a 100% interest in MJAR Holdings, LLC in a business combination transaction that would constitute a reverse take-over and change control of the Company. The closing of the transaction is subject to the execution of definitive documentation, the completion of due diligence, and the receipt of all necessary regulatory, shareholder, and third party consents and approvals.

Investor Relations

Investor Relations activities during the period consisted of providing investor and broker information in response to inquiries. Additional information relating to the Company is available on SEDAR at www.sedar.com.