

Spey Options the Silver Basin Property, in British Columbia

Vancouver, British Columbia--(Newsfile Corp. - July 30, 2020) - Spey Resources Corp. (CSE: SPEY) ("Spey" or the "Company") is pleased to announce that it has entered into an Option Agreement (the "Agreement") to acquire a 100% interest from John (Jack) Denny, Robert (Bob) Denny and John Mirko in the Silver Basin Property (the "Property") located in the Revelstoke Mining Division, of southern British Columbia.

The Company believes the Property has potential to host high grade gold-silver and possibly cobalt-nickel deposits. For the first time in over 100 years, the recently consolidated Property now encompasses more than 8 km of a prospective trend that includes numerous known mineral occurrences of gold, silver, lead and zinc hosted in veins and larger zones of brecciation.

The Property has reportedly been explored since before 1890 and more recently the Denny family of Salmo, BC has been further exploring the Property since the 1970s. Historical surface rock sampling completed in 1946 on the Foggy Day target area reportedly returned assays of 41.14 g/t Au and 116.6 g/t Ag across a 0.94 meter thick quartz sulphide vein. Two grab samples from a 2nd vein reportedly assayed 65.1 g/tonne Au, 205.7 g/t Ag and 92.6 g/tonne Au, 603.4 g/tonne Ag. At the Silver Basin target, a 7 ton sample shipped to the Trail smelter assayed 1.14 oz/ton Au, 55 oz/ton Ag, 27% Pb and 3% Zn. A grab sample from that vein across 0.45 meter assayed 161.2 oz/ton Ag. A 1,000 meter diamond drill program to test down dip on the Morning Star and IXL veins was recommended by Taiga Consultants Ltd. (R. Chisholm, 1988) but reportedly never carried out.

In addition, cobalt and nickel values have been found to occur in an ultramafic intrusion where a grab sample assayed 0.20% cobalt and 0.30% nickel, adding a new dimension with compelling possibilities of outlining a new target. The British Columbia Geological Survey Branch gave notice on February 22, 2019 that it intends to investigate the newly discovered cobalt potential of the Property and the immediate area known to host other ultramafic host rocks and geology favorable for hosting cobalt and nickel mineralization.

"We are excited to enter into the Silver Basin Option Agreement based on early indications of high grade gold and silver mineralization in this historic mining district", stated David Thornley-Hall, President of Spey Resources Corp. "We intend to mobilize an aggressive work program as part of our strategy to evaluate the highly prospective zones in this clearly under explored area."

Beginning immediately, the company will focus exploration activities on expanding the known gold and silver occurrences by mapping, prospecting and sampling of the property.

Cautionary Language: the results quoted herein are from previous historical exploration summary documents, geological reports and BC Government reports, and have not been verified by a Qualified Person. The exploration work and results appear to have been done in an appropriate technical standard however, and Spey's Qualified Person believes them to be reliable. Spey will be resampling certain surface outcrops as part of its due diligence work.

References:

- 1.) Parker, A., P. Eng., BCDM Assessment Report #07324, 1979, for American Chromium Ltd.
- 2.) Chisholm, R., BCDM Assessment Report #17446, 1988, for Courageous Exploration Ltd.
- 3.) McDougall, B.W.W., P. Eng., Winslow Group & Associated Properties, 1949, for Sunshine Lardeau Mines Ltd.

4.) BC Department of Mines, 1914 Annual Report.

Option Agreement Terms

Under the terms of the Agreement, Spey has the option to acquire an undivided 100% interest in and to the Property, free and clear of all liens, charges, encumbrances, claims, rights or interest of any person, with the exception of a 2.0% Net Smelter Return ("NSR") payable to the Vendor. The Option is exercisable by Spey:

- a) paying an aggregate \$386,000 as follows:
 - i) \$6,000 upon signing; (paid)
 - ii) an additional \$20,000 on or before July 1, 2021;
 - iii) an additional \$80,000 on or before July 1, 2022;
 - iv) an additional \$80,000 on or before July 1, 2023;
 - v) an additional \$200,000 on or before July 1, 2024; and
- b) incurring \$10,000 work expenditure on the Property before October 30, 2020; and
- c) issuing an aggregate 2,000,000 common shares in the capital of Spey as follows:
 - i) 100,000 shares on approval of the Option by the Canadian Stock Exchange;
 - ii) an additional 200,000 shares on or before July 1, 2021;
 - iii) an additional 200,000 shares on or before July 1, 2022;
 - iv) an additional 500,000 shares on or before July 1, 2023;
 - v) an additional 1,000,000 shares on or before July 1, 2024.

Upon commencement of commercial production, and subject to Exchange policies in effect at the time, Spey shall issue an additional 1,000,000 common shares in the Company. At such time, the Property will also be subject to an underlying 2.0% Net Smelter Return. Spey is entitled, at any time, to purchase 80% of the Net Smelter Return by making a single payment of \$2,000,000 to the Property vendors.

Financing

The Company intends to arrange a non-brokered private placement offering up to 6,000,000 units at a price of \$0.10 per unit to raise gross proceeds of up to \$600,000. Each unit will be comprised of one common share and one share purchase warrant of the Company. Each warrant will entitle the holder to acquire an additional common share of the Company at an exercise price of \$0.22 per share for a period of two years from the closing date of the private placement. In conjunction with the financing, the Company may pay a finder's fee to eligible persons in compliance with applicable securities laws and exchange policies. The proceeds of the private placement will be used to advance exploration of the Property and general working capital. All securities will be subject to a four-month plus one day hold period from the closing date.

The warrants are subject to an accelerated expiry date, which comes into effect when the trading price on the Canadian Securities Exchange of the Company's common shares closes at or above \$0.40 per share during any 10-day-consecutive-trading-day period commencing four months plus one day after the date of issuance of the warrants. In such event, the Company may give an expiry acceleration notice to warrant holders and the expiry date of the warrants will be 30 days from the date of the notice.

Qualified Person

Spey's Qualified Person, Robert ("Bob") Lane, MSc., P.Geo., is a Qualified Person as defined by National Instrument 43-101, "Standards of Disclosure for Mineral Deposits" and has reviewed and approved the technical information contained in this news release.

On behalf of the Board of Directors of SPEY RESOURCES CORP.

"David Thornley-Hall"

David Thornley-Hall, President and Director

For additional information on the Company or its Project, please visit the Company's website: www.speyresources.ca or email: dth@speyresources.ca

Neither the CSE nor its Regulation Services Provider (as that term is defined in the policies of the CSE) nor any other regulatory authority accepts responsibility for the adequacy or accuracy of this release.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS:

This news release may contain forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects," "plans," "anticipates," "believes," "intends," "estimates," "projects," "potential" and similar expressions, or that events or conditions "will," "would," "may," "could" or "should" occur. Information inferred from the interpretation of drilling results may also be deemed to be forward-looking statements, as it constitutes a prediction of what might be found to be present when and if a project is actually developed. These forward-looking statements are subject to a variety of risks and uncertainties which could cause actual events or results to differ materially from those reflected in the forward-looking statements, including, without limitation: risks related to fluctuations in metal prices; uncertainties related to raising sufficient financing to fund the planned work in a timely manner and on acceptable terms; changes in planned work resulting from weather, logistical, technical or other factors; the possibility that results of work will not fulfill expectations and realize the perceived potential of the Company's properties; risk of accidents, equipment breakdowns and labour disputes or other unanticipated difficulties or interruptions; the possibility of cost overruns or unanticipated expenses in the work program; the risk of environmental contamination or damage resulting from Spey's operations and other risks and uncertainties. Any forward-looking statement speaks only as of the date it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise.

To view the source version of this press release, please visit <https://www.newsfilecorp.com/release/60846>