SPEY RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM INCORPORATION ON MARCH 11, 2021 TO NOVEMBER 30, 2021

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Spey Resources Corp.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Spey Resources Corp. (the "Company"), which comprise the consolidated statement of financial position as at November 30, 2021, the statement of comprehensive loss, changes in equity and cash flows for the period from incorporation on March 11, 2021 to November 30, 2021 and the related notes comprising a summary of significant accounting policies and other explanatory information, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "consolidated financial statements").

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2021, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying consolidated financial statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the consolidated financial statements does not cover the other information and does not and will not express any form of assurance on conclusion thereon. In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the audit, and remain alert for indicators that the other information appears to be materially misstated.

We obtained the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditors' report. If, based on the work we have performed on the other information, we conclude that there is a material misstatement of the other information, we are required to report that fact in the auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Consolidated Financial Statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Waseem Javed.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
March 30, 2022

SPEY RESOURCES CORP.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	November 30, 2021
		$
ASSETS		
Current assets		
Cash		1,133,297
Amount receivable		64,424
Prepaid expenses		25,612
Total current assets		1,223,333
Exploration and evaluation assets	5	2,767,616
		3,990,949
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities		223,583
EQUITY		
Share capital	6	12,906,074
Subscriptions receivable		(25,000)
Contributed surplus	6	1,554,106
Deficit		(10,667,814)
		3,767,366
		3,990,949

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)
COMMITMENTS (Note 10)

Approved and authorized for issue on behalf of the Board on March 30, 2022.

"Ian Graham" Director *"Nader Vatanchi"* Director

The accompanying notes are an integral part of these consolidated financial statements

SPEY RESOURCES CORP.
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
(Expressed in Canadian dollars)

	Note	Period from Incorporation on March 11, 2021 to November 30, 2021
		$
Expenses		
Advertising and marketing		1,040,586
Management and consulting fees	7	1,182,764
Office and other		138,358
Professional fee		191,710
Transfer agent and filing		22,210
Loss before other item		
Other item		
Listing expense	4	8,092,187
Net loss and comprehensive loss		10,667,814
Loss per share – basic and diluted		(0.22)
Weighted average number of common shares outstanding		48,077,440

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

SPEY RESOURCES CORP.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in Canadian dollars)

	Common Shares Number of Shares	Share Capital	Subscriptions Receivable	Contributed Surplus	Deficit	Total
	#	$	$	$	$	$
Balance from incorporation, March 11, 2021	-	-	-	-	-	-
Shares issued for cash prior to reverse acquisition transaction, net	23,500,000	882,640	-	-	-	882,640
Recognition of shares, stock options and warrants deemed issued to Spey's shareholders (Note 4)	28,984,500	7,246,125	-	2,016,863	-	9,262,988
Shares issued for cash, net	10,447,000	2,305,321	(25,000)	131,231	-	2,411,552
Shares issued for exploration and evaluation assets	2,900,000	1,166,000	-	-	-	1,166,000
Exercise of warrants	3,025,000	1,059,933	-	(427,433)	-	632,500
Exercise of stock options	775,000	246,055	-	(166,555)	-	79,500
Comprehensive loss	-	-	-	-	(10,667,814)	(10,667,814)
Balance, November 30, 2021	**69,631,500**	**12,906,074**	**(25,000)**	**1,554,106**	**(10,667,814)**	**3,767,366**

The accompanying notes are an integral part of these consolidated financial statements

SPEY RESOURCES CORP.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in Canadian dollars)

	Period from Incorporation on March 11, 2021 to November 30, 2021
	$
Cash provided (used) in operating activities	
Net loss	(10,667,814)
Non-cash expense:	
Listing expense	8,092,187
Net change in non-cash working capital balances related to operations:	
Amounts receivable	(64,424)
Prepaid expenses	(25,612)
Amounts payable and accrued liabilities	147,042
Cash used in operating activities	(2,518,621)
Cash used in investing activities	
Cash acquired upon reverse acquisition transaction	835,483
Exploration and evaluation assets	(1,189,757)
Cash provided by investing activities	(354,274)
Cash flows from financing activities	
Proceeds from share issuance, net	3,294,192
Exercise of warrants	632,500
Exercise of options	79,500
Cash provided by financing activities	4,006,192
Change in cash	1,133,297
Cash, beginning of period	-
Cash, end of period	**1,133,297**

Supplement cash flow information:
Shares issued on reverse acquisition (see Note 4)

The accompanying notes are an integral part of these consolidated financial statements

1. NATURE OF OPERATIONS

Spey Resources Corp. (“Spey” or the “Company”) was incorporated on July 31, 2017 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 900 - 580 Hornby Street, Vancouver, British Columbia, Canada.

The Company is listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “SPEY”. The Company is currently halted from trading pursuant to a cease trade order issued by the British Columbia Securities Commission (“BCSC”), pending the completion of the BCSC’s continuous disclosure review, as previously announced in news releases dated August 31, 2021, October 22, 2021 and December 6, 2021.

On April 26, 2021, the Company entered into a share purchase agreement with the shareholders of Tech One Lithium Resources Corp. (“Tech One”), under which the Company purchased all of Tech One’s issued and outstanding common shares by issuing 23,500,000 common shares (the “Transaction”). Subsequent to the Transaction, the original shareholders of Tech One obtained control of the Company, which resulted in a reverse acquisition. As a result, Tech One was deemed to be the continuing entity for accounting purposes. The historical operations, assets and liabilities of Tech One are included in the November 30, 2021 consolidated financial statements, as well as the net assets and operations of Spey from the date of the Transaction.

Tech One was incorporated under the Business Corporations Act of British Columbia on March 11, 2021 and changed its name to Tech One Lithium Resources Corp. on March 15, 2021. The address of Tech One’s head office and registered office is 106-461 16th Street, North Vancouver, BC V7M 1V1, Canada.

Concurrent with the Transaction, the Company completed a private placement of 10,447,000 units at $0.25 per unit for gross proceeds of $2,611,750. Each unit consisted of one common share and one non-transferable share purchase warrant, exercisable for one common share at a price of $0.40 for a period of 24 months, subject to acceleration.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2021, the Company had not yet determined whether the Company’s mineral property assets contain ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company had a deficit of $10,667,814 as at November 30, 2021, which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

In March 2020, there was a global outbreak of COVID-19, which continues to rapidly evolve. The extent to which the COVID-19 coronavirus may impact the Company will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, social distancing, business closures or business disruptions, and the effectiveness of actions taken by countries to contain and treat the disease.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of consolidation

These consolidated financial statements have been prepared on a consolidated basis and include the accounts of Spey, Tech One, and Tay Resources Corp., an entity acquired by Spey prior to the Transaction.

Since Tech One was incorporated on March 11, 2021, there is no comparative financial information for Tech One. As such, these consolidated financial statements represent the period for Tech One from incorporation on March 11, 2021 to November 30, 2021, as well as the period for Spey and Tay Resources Corp. from April 27, 2021 to November 30, 2021.

Intercompany balances and transactions, and any unrealized income and expenses arising from intercompany transactions have been eliminated.

b. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"). These consolidated financial statements were approved by the Company's Board of Directors on March 30, 2022.

c. Basis of presentation

These consolidated financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

d. Cash equivalents

Cash equivalents include short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash. As of November 30, 2021, the Company held no cash equivalents.

e. Exploration and evaluation assets

All costs related to the acquisition, exploration and development of mineral properties are capitalized. Upon commencement of commercial production, the related accumulated costs are amortized against projected income using the units-of-production method over estimated recoverable reserves.

Management annually assesses carrying values of non-producing properties and properties for which events and circumstances may indicate possible impairment. Impairment of a property is generally considered to have occurred if the property has been abandoned, there are unfavourable changes in the property economics, there are restrictions on development, or when there has been an undue delay in development, which exceeds three years. In the event that estimated discounted cash flows expected from its use or eventual disposition is determined by management to be insufficient to recover the carrying value of the property, the carrying value is written down to the estimated recoverable amount.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e. Exploration and evaluation assets (continued)

The recoverability of mineral properties and exploration and development costs is dependent on the existence of economically recoverable reserves, the ability to obtain the necessary financing to complete the development of the reserves, and the profitability of future operations. The Company has not yet determined whether or not any of its future mineral properties contain economically recoverable reserves. Amounts capitalized to mineral properties as exploration and development costs do not necessarily reflect present or future values.

When options are granted on mineral properties or properties are sold, proceeds are credited to the cost of the property. If no future capital expenditure is required and proceeds exceed costs, the excess proceeds are reported as a gain.

f. Share-based payments

Share-based payments to employees and others providing similar services are measured at the estimated fair value of the instruments issued on the grant date and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve.

Share-based compensation expense relating to deferred share units is accrued over the vesting period of the units based on the quoted market price. As these awards can be settled in cash, the expense and liability are adjusted each reporting period for changes in the underlying share price.

g. Share issuance costs

Professional, consulting, regulatory and other costs directly attributable to financing transactions are recorded as deferred financing costs until the financing transactions are completed, if the completion of the transaction is considered likely; otherwise they are expensed as incurred. Share issue costs are charged to share capital when the related shares are issued. Deferred financing costs related to financing transactions that are not completed are expensed.

h. Share Capital

The Company's common shares, share warrants and options and flow-through shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. For equity offerings of units consisting of a common share and warrants, when both instruments are classified as equity, the Company bifurcates the proceeds between the common share and warrants based on residual value. When warrants are exercised, the corresponding value is transferred from equity reserve to common stock.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

i. Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the liability associated with the renounced tax deductions is recognized through profit and loss with a pro-rata portion of the deferred premium.

To the extent that the Company has deferred tax assets in the form of tax loss carryforwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

j. Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates, are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss. The functional currency of the Company and its subsidiaries is the Canadian Dollar.

k. Decommissioning, restoration and similar liabilities

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration or development of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, along with a corresponding liability as soon as the obligation to incur such costs arises. The timing of the actual rehabilitation expenditure is dependent on a number of factors such as the life and nature of the asset, the operating license conditions and, when applicable, the environment in which the mine operates.

Discount rates using a pre-tax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the units-of-production or the straight-line method. The corresponding liability is progressively increased as the effect of discounting unwinds creating an expense recognized in profit or loss.

Decommissioning costs are also adjusted for changes in estimates. Those adjustments are accounted for as a change in the corresponding capitalized cost, except where a reduction in costs is greater than the unamortized capitalized cost of the related assets, in which case the capitalized cost is reduced to nil and the remaining adjustment is recognized in profit or loss.

The operations of the Company have been, and may in the future be, affected from time to time in varying degree by changes in environmental regulations, including those for site restoration costs. Both the likelihood of new regulations and their overall effect upon the Company are not predictable.

The Company has no material restoration, rehabilitation, and environmental obligations as the disturbance to date is immaterial.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

l. Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

m. Income taxes

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the period end date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred income taxes are recorded using the liability method whereby deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the statement of financial position date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each period end date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

n. Financial Instruments

Classification and measurement

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories: at amortized cost, at fair value through other comprehensive income (loss) (“FVTOCI”), or at fair value through profit (“FVTPL”).

<u>Financial assets</u>

The Company determines the classification of financial assets at initial recognition. The classification of financial instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics.

Financial assets at amortized cost - Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual e amortized cost using the effective interest rate method. The Company does not have any financial assets measured at amortized cost as at November 30, 2021.

Financial assets at FVTOCI - Financial assets that are held within a business model whose objective is to hold financial assets in order to both collect contractual cash flows and sell financial assets, and the contractual terms of these financial assets give rise on specified date to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Upon initial recognition of equity securities, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate its equity securities that would otherwise be measured at FVTPL to present subsequent changes in fair value in other comprehensive income.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

n. Financial Instruments (continued)

Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

The cumulative gain or loss is not reclassified to profit or loss on disposal of the instrument; instead, it is transferred to retained earnings. The Company does not have any financial assets classified as FVTOCI as at November 30, 2021.

Financial assets at FVTPL - This category comprises derivatives, or financial assets acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statements of financial position at fair value which changes in fair value recognized in the statement of operations. The Company has classified its cash as FVTPL.

Financial liabilities

All financial liabilities are initially recorded at fair value and classified as measured at amortized cost or FVTPL.

Financial liabilities at amortized cost - Financial liabilities are subsequently measured at amortized cost using the effective interest rate method except for financial liabilities at FVTPL, financial guarantee contracts, loan commitments as below-market interest rate, and liabilities related to contingent consideration of an acquirer in a business combination. The Company's accounts payable is measured at amortized cost.

Financial liabilities at FVTPL- This category comprises derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive loss. The Company did not hold any financial liabilities at FVTPL as at November 30, 2021.

o. Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

The Company recognizes loss allowances for expected credit losses ("ECLs") on its financial assets measured at amortized cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to expected lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i. e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the related financial asset. The Company does not have any financial assets that contain a financing component.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

p. De-recognition

A financial asset is derecognized when the contractual right to the asset's cash flows expires, or if the Company transfers the financial asset and substantially all risks and rewards of ownership to another entity.

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled, or they expire.

q. New 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. The Company has not early adopted any of these standards and is currently evaluating the impact, if any, that these standards might have on its consolidated financial statements. Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting estimates

i. determination of listing expenses which includes the fair value of common shares, stock options and warrants deemed issued to Spey’s shareholders. The fair values of stock options and warrants deemed issued was based on Black Scholes calculations which involves various assumptions and estimates;

ii. the assessment of indications of impairment of the mineral property and related determination of the net realizable value and write-down of the mineral property where applicable; and

iii. the measurement of deferred income tax assets and liabilities.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

Significant accounting judgements

i. the assessment of the Company's ability to continue as a going concern;

ii. the determination of the acquirer in business acquisitions is subject to judgment and requires the Company to determine which party obtains control of the combining entities; and

iii. the assessment of whether the acquisition of control of another entity or a group of assets constitutes a business combination or an asset acquisition.

4. REVERSE ACQUISITION TRANSACTION

Subsequent to the Transaction described in Note 1, the original shareholders of Tech One obtained control of the Company. For accounting purposes, the acquisition is considered to be outside the scope of IFRS 3 *Business Combinations* ("IFRS 3") since Spey was relatively inactive prior to the Transaction and did not constitute a business. As a result, the Transaction is accounted for in accordance with IFRS 2 *Share-based Payment* whereby Tech One is deemed to have issued shares, options and warrants in exchange for the net assets of Spey together with its listing status at the fair value of the consideration deemed received by Tech One. The accounting for this transaction resulted in the following:

(i) The consolidated financial statements of the combined entities are issued under the legal parent, Spey, but are considered a continuation of the financial statements, assets and operations of the legal subsidiary, Tech One.

(ii) Since Tech One is deemed to be the continuing entity for accounting purposes, its assets and liabilities are included in the consolidated financial statements at their historical carrying values.

(iii) As part of the completion of the Transaction, the original shareholders of the Company retained 28,984,500 common shares of the Company, 2,214,000 stock options and 9,994,500 warrants.

(iv) Concurrent with the Transaction, the Company completed a non-brokered private placement of 10,447,000 units at $0.25 per unit for gross proceeds of $2,611,750. Each unit consisted of one common share and one non-transferable share purchase warrant, each warrant is exercisable to purchase one additional common share at $0.40 for a period of 24 months, subject to acceleration. In connection to this private placement, the Company incurred share issue costs of $175,198 in cash and issued 618,250 finders' warrants which are exercisable at prices ranging from $0.25 to $0.40 per share for a period of two years. The fair value of the share purchase warrants was determined to be $131,231, calculated using the Black-Scholes option pricing model under the following assumptions: weighted average exercise price - $0.32; price on grant date $0.25; risk-free interest rate – 0.32%; dividend yield – 0%; expected volatility – 150%; and expected life – two years.

Since the share and share-based consideration deemed issued to the shareholders of Spey on closing of the Transaction is considered within the scope of IFRS 2, and Tech One identified the net assets received and the CSE listing as the goods received in return for the allocation of the common shares, stock options and warrants, the value in excess of the net identifiable assets or obligations of Spey acquired on closing was expensed in the consolidated statement of comprehensive loss as listing expense.

(Expressed in Canadian dollars)

4. REVERSE ACQUISITION TRANSACTION (continued)

The total share-based compensation for the 28,984,500 common shares, 2,214,000 stock options and 9,994,500 warrants was $9,062,988, representing the fair value of the common shares, stock options and warrants deemed issued to the shareholders of Spey. The weighted average fair value of the options and warrants was based on the followings;

	Common shares	Stock options	Warrants
Number	28,984,500	2,214,000	9,994,500
Fair value	$7,246,125	$482,034	$1,534,829
Fair value per unit	$0.25	$0.22	$0.15
Share price	$0.25	$0.25	$0.25
Exercise price	N/A	$0.10	$0.21
Volatility	N/A	150%	150%
Risk-free interest rate	N/A	0.75%	0.22%
Dividends	N/A	Nil	Nil
Expected remaining lives	N/A	3.92 years	0.95 years

The total listing expense of $8,092,187 was determined as follows:

	$
Fair value of share-based compensation	
Deemed share issuance	7,246,125
Stock options deemed granted	482,034
Warrants deemed granted	1,534,829
Total consideration	9,262,988
Identifiable net assets obtained:	
Cash	835,483
Amounts receivable	14,826
Exploration and evaluation assets	343,711
Liabilities assumed	(23,219)
	1,170,801
Listing expense	8,092,187

5. EXPLORATION AND EVALUATION ASSET

	SB Property	**Kaslo Silver Property**	**Candela II**	**Pocitos I & II**	**Total**
	$	**$**	**$**	**$**	**$**
Acquisition					
Balance, beginning of period	-	-	-	-	-
Acquired through reverse acquisition transaction (Note 4)	49,571	294,140	-	-	343,711
Acquisition cost	186,000	60,712	252,000	1,252,000	1,750,712
Exploration expenditures	-	48,062	605,525	19,606	673,193
Balance, November 30, 2021	**235,571**	**402,914**	**857,525**	**1,271,606**	**2,767,616**

5. EXPLORATION AND EVALUATION ASSET (continued)

SB Property

Pursuant to an option agreement (the "SB Agreement") dated July 30, 2020, the Company has an option to acquire a 100% interest in the Silver Basin Property (the "SB Property") located in the Revelstoke Mining Division, of southern British Columbia, 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").

The Option is exercisable by the Company pursuant to the following:

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 (paid);
   iii) an additional $80,000 on or before July 1, 2022;
   iv) an additional $80,000 on or before July 1, 2023; and
   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 (completed).

c) Issuing an aggregate 2,000,000 common shares as follows:

   i) 100,000 common shares on approval of the Option by the CSE (issued);
   ii) an additional 200,000 common shares on or before July 1, 2021 (issued);
   iii) an additional 200,000 common shares on or before July 1, 2022 (issued);
   iv) an additional 500,000 common shares on or before July 1, 2023; and
   v) an additional 1,000,000 common shares on or before July 1, 2024.

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

5. EXPLORATION AND EVALUATION ASSET (continued)

Kaslo Silver Property

The Company has an option to acquire an undivided 100% interest in and to the Kaslo Silver Property (the "Kaslo Silver Property"), located 12 kilometres west of Kaslo in southern British Columbia. silver and base metal property.

The option is exercisable by the Company pursuant to the following:

a) Paying an aggregate of $310,000 as follows:

   i) $30,000 on or before August 31, 2021 (unpaid and included in accounts payable as at November 30, 2021);
   ii) an additional $70,000 on or before August 31, 2022;
   iii) an additional $100,000 on or before August 31, 2023; and
   iv) an additional $110,000 on or before August 31, 2024.

b) Issuing an aggregate of 236,547 common shares as follows:

   i) 78,849 common shares on or before August 31, 2021(unissued and included in accounts payable as at November 30, 2021);
   ii) an additional 78,849 common shares on or before August 31, 2022; and
   iii) an additional 78,849 common shares on or before August 31, 2023.

The Company is also required to issue an additional 131,415 common shares upon the commencement of commercial production at the Kaslo Silver Property.

Upon commencement of commercial production at the Kaslo Silver Property, the Kaslo Silver Property will be subject to 2.5% net smelter return royalty. All securities issuable in connection with the Option are subject to a statutory hold period expiring four months and a day from the date of issue.

Candella II Project

On March 18, 2021, Tech One entered into a mineral property option agreement (the "Candela II Agreement") with A.I.S Resources Ltd. (the "Optionor"). The Company has an option to acquire up to a 100% interest in the mining tenement known as Candella II located in Salar de Incahuasi, Province of Salta, Argentina (the “Concession”).

On April 28, 2021, the Company entered into an amended and restated exploration and mineral property purchase agreement (the "Amended Agreement") with the Optionor, which supersedes the Candela II Agreement, to include a clause to appoint the Optionor as the exclusive project manager for any exploration conducted on the Concession.

Pursuant to the terms of the Agreement and the Amended Agreement, the Company can acquire an 80% interest in the Concession as follows:

- Making a cash payment of US$100,000 upon signing of the Agreement (paid);
- Making a cash payment of US$100,000 on or before September 18, 2021 (paid);
- Making a cash payment of US$1,000,000 on or before March 18, 2022; and
- Incurring minimum exploration expenditures totaling US$500,000 on or before March 17, 2022.

Upon completion of the above and acquiring its 80% interest in the Concession, the Company can obtain an additional 20% interest, thereby bringing its ownership to 100%, in the concession by making a cash payment of US$6,000,000 on or before March 17, 2023, which may be increased subject to confirmation of indicated and inferred resource estimates on the Concession at the time of payment.

5. EXPLORATION AND EVALUATION ASSET (continued)

Acquisition of Pocitos I and II

The Company entered into an Option Agreement (the “Pocitos Agreement”) dated June 23, 2021 with A.I.S. Resources Ltd. (“AIS”) for an option to acquire a 100% interest in the Pocitos I and Pocitos II claims (the “Pocitos Property”) located in Salta, Argentina.

Pursuant to an underlying option agreement, AIS has an option (the “Underlying Option”) to acquire the Pocitos Property from the current owners. Upon the exercise of the Underlying Option by AIS, the Company will be able to exercise its option pursuant to the Pocitos Agreement and acquire a 100% interest in the Pocitos Property from AIS by paying a total of US$1,732,000 prior to June 23, 2022.

In order to maintain the option in good standing under the Pocitos Agreement, the Company was required to pay AIS a total of US$200,000 (paid) and issue 2,500,000 common shares (issued). In addition, the Company is required to complete a US$500,000 exploration program on the Pocitos Property within the next 12 months. Upon exercise of the option and the Company’s acquisition of a 100% interest in the Property, AIS will retain a 7.5% royalty on the sales revenue of lithium carbonate or other lithium compounds from the Property, net of export taxes.

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding as at November 30, 2021: 69,631,500 common shares.

For the period ended November 30, 2021, the Company had the following share capital transactions:

i) On March 20, 2021, the Company completed a private placement of 15,640,000 common shares at a price of $0.001 per share for gross proceeds of $15,640.

ii) On March 27, 2021, the Company completed a private placement of 1,000,000 common shares at a price of $0.01 per share for gross proceeds of $10,000.

iii) On April 16, 2021, the Company completed a private placement of 5,720,000 common shares at a price of $0.10 per share for gross proceeds of $572,000.

iv) On April 23, 2021, the Company completed a private placement of 1,140,000 common shares at a price of $0.25 per share for gross proceeds of $285,000.

v) On April 26, 2021, concurrent with the Transaction, the Company completed a non-brokered private placement of 10,447,000 units at $0.25 per unit for gross proceeds of $2,611,750. Each unit consisted of one common share and one non-transferable share purchase warrant, each warrant is exercisable to purchase one additional common share at $0.40 for a period of 24 months, subject to acceleration. In connection to this private placement, the Company incurred share issue costs of $175,198 in cash and issued 618,250 finders’ warrants which are exercisable at prices ranging from $0.25 to $0.40 per share for a period of two years. The fair value of the share purchase warrants was determined to be $131,231, calculated using the Black-Scholes option pricing model under the following assumptions: weighted average exercise price - $0.32; price on grant date $0.25; risk-free interest rate – 0.32%; dividend yield – 0%; expected volatility – 150%; and expected life – two years.

vi) The Company issued a total of 400,000 common shares with a fair value of $166,000 for the SB Property (Note 5).

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

vii) The Company issued 2,500,000 common shares with a fair value of $1,000,000 for the acquisition of the Pocitos I & II Properties (Note 5).

viii) The Company issued 3,025,000 common shares pursuant to the exercise of share purchase warrants for total proceeds of $632,500.

ix) The Company issued 775,000 common shares pursuant to the exercise of stock options for total proceeds of $79,500.

c) Stock Options

The Company has adopted a Stock Option Plan ('Plan') for directors, officers and employees, consultants of the Company. The Company may grant options to individuals, options are exercisable over periods of up to ten years, as determined by the Board of Directors of the company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

The following is a summary of the Company's stock option activity for the period ended November 30, 2021:

	Number of stock options	**Weighted average exercise price**
		$
Balance, beginning of period	-	-
Deemed granted upon reverse acquisition transaction (Note 4)	2,214,000	0.10
Exercised	(775,000)	0.10
Exercisable and outstanding, November 30, 2021	1,439,000	0.10

The following table summarizes the outstanding and exercisable stock options as at November 30, 2021:

Exercise price	**Number of options**	**Expiry date**
$ 0.10	275,000	December 21, 2022
$ 0.10	140,000	November 5, 2023
$ 0.10	224,000	January 10, 2024
$ 0.10	150,000	April 15, 2024
$ 0.105	650,000	March 26, 2026
	1,439,000	

The weighted average remaining useful life of outstanding stock options is 2.47 years as at November 30, 2021.

d) Warrants

A summary of the Company's outstanding warrants at November 30, 2021, and the changes for the period then ended is presented below:

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

d) Warrants (continued)

	Number of warrants	Weighted average exercise price
		$
Balance, beginning of period	-	-
Deemed granted upon reverse acquisition transaction (Note 4)	9,994,500	0.21
Granted	11,065,250	0.38
Exercised	(3,025,000)	0.22
Exercisable and outstanding, November 30, 2021	18,034,750	0.32

The following table summarizes the outstanding and exercisable warrants as at November 30, 2021:

Exercise price	Number of warrants	Expiry date
$0.05	800,000	January 20, 2022
$0.22	3,194,500	September 28, 2022
$0.22	2,975,000	April 8, 2022
$0.40	11,065,250	May 31, 2023
	18,034,750	

The weighted average remaining useful life of outstanding warrants is 1.13 years as at November 30, 2021.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and the former CFO.

As at November 30, 2021, included in accounts payable and accrued liabilities was $3,000 due to an officer of the Company. The amount is unsecured, non-interest bearing and due on demand. The Company had incurred the following key management personnel cost from related parties:

	For the period from incorporation on March 11, 2021 to November 30, 2021
	$
Consulting fee to CEO	55,000
Consulting fee to CFO	39,000
Consulting fee to former CFO	14,000
Consulting fee to former president	23,000
Total	**131,000**

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital.

The Company manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

The Company measures certain financial instruments and other items at fair value. To determine the fair value, the Company uses the fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs market participants would use to value an asset or liability and are developed based on market data obtained from independent sources. Unobservable inputs are inputs based on assumptions about the factors market participants would use to value an asset or liability. The three levels of inputs that may be used to measure fair value are as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

The Company's financial instruments consist of cash and accounts payable. Financial instruments are classified into one of the following categories: FVTPL, FVTOCI, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	**Category**	**November 30, 2021**
		$
Cash	FVTPL	1,133,297
Accounts payable	Amortized cost	223,583

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at November 30, 2021 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below.

Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high-quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

10. COMMITMENTS

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 5.

11. INCOME TAXES

The Company has losses carried forward of approximately $3,264,000 available to reduce income taxes in future years which begin to expire in 2037.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probable that sufficient taxable income will be realized during the carry forward periods to utilize all deferred tax assets.

(Expressed in Canadian dollars)

11. INCOME TAXES (continued)

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

	November 30, 2021
Canadian statutory income tax rate	27%
	$
Income tax recovery at statutory rate	(2,880,000)
Effect of income taxes of:	
Permanent differences and other	2,051,000
Predecessor losses recognized pursuant to reverse acquisition transaction	(172,000)
Change in deferred tax assets not recognized	1,003,000
Deferred income tax recovery	-

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

	November 30, 2021
	$
Non-capital loss carry forwards	881,000
Exploration and evaluation assets	76,000
Share issuance costs	46,000
Deferred tax assets not recognized	(1,003,000)
	-