

FORM 51-102F3

MATERIAL CHANGE REPORT

1. **Name and Address of Company**

Spey Resources Corp. (the “**Company**”)
#3500 - 1055 Dunsmuir Street
Vancouver, BC V7X 1L3

2. **Date of Material Change**

October 4, 2022

3. **News Release**

A news release with respect to the material change referred to in this report was issued on October 5, 2022 and disseminated through the facilities of recognized newswire services. A copy of the news release was filed on SEDAR.

4. **Summary of Material Change**

The Company entered into debt settlement agreements with four creditors, pursuant to which the Company issued an aggregate of 2,518,696 units (the “**Units**”) at a price of \$0.175 per Unit.

5. **Full Description of Material Change**

The Company announced it has settled outstanding indebtedness (the “**Debt Settlement**”) of the Company in the aggregate amount of \$377,772.09 (the “**Debt**”), pursuant to the terms of debt settlement agreements with three arm’s length creditors and Abbey Abdiye, the Chief Financial Officer of the Company (collectively, the “**Creditors**”).

In settlement of the debt, the Company has issued an aggregate of 2,158,696 units (the “**Units**”) of the Company at a price of \$0.175 per Unit. Each Unit consists of one common share in the capital of the Company (each, a “**Share**”) and one-half of a common share purchase warrants (each whole warrant, a “**Warrant**”), with each Warrant entitling the holder thereof to acquire one additional Share (each, a “**Warrant Share**”), at an exercise price of \$0.35 per Warrant Share, for a period of 24 months, provided that if the volume weighted average trading price of the Shares on the Canadian Securities Exchange (or such other securities exchange the Shares are then trading) is at a price greater than \$0.70 per Share for 10 consecutive trading days, then the expiry date of the Warrants shall automatically accelerate and will expire on the date that is 30 days after the date that notice of such acceleration is provided to the Warrant holders by way of press release by the Company.

The Debt Settlement with Mr. Abdiye is a related party transaction pursuant to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions (“**MI 61-101**”). One of the Creditors, Mr. Abbey Abdiye, is the Chief Financial Officer of the Company.

With respect to the Debt Settlement with Mr. Abdiye, the Company has relied on the exemption from the valuation requirement pursuant to section 5.5(b) (Issuer Not Listed on Specified Markets) of MI 61-101 and from the minority shareholder approval requirement prescribed by section 5.7(1)(a) (Fair Market Value Not More Than 25% of Market

Capitalization) of MI 61-101.

All securities issued in connection with the Debt Settlement are subject to a statutory four month hold period in accordance with the policies of the CSE and applicable securities laws.

None of the securities to be issued in connection with the Debt Settlement have been or will be registered under the United States Securities Act of 1933, as amended (the “1933 Act”), and none may be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act.

Disclosure Required by MI 61-101

The following supplementary information is provided in accordance with section 5.2 of MI 61-101:

(a) a description of the transaction and its material terms.

The Company entered into a debt settlement agreement with M. Abbey Abdiye to settle an outstanding debt of the Company of \$31,500, pursuant to which the Company has agreed to issue to Mr. Abdiye 90,000 Units.

(b) the purpose and business reasons for the transaction

The Company settling outstanding debt amounts owing.

(c) the anticipated effect of the transaction on the issuer’s business and affairs

The Company does not anticipate any material effect on it’s business and affairs as a result of the Debt Settlement.

(d) a description of:

(i) the interest in the transaction of every interested party and of the related parties and associated entities of the interested parties

Mr. Abbey Abdiye is the Chief Financial Officer and Corporate Secretary of the Company.

(ii) the anticipated effect of the transaction on the percentage of securities of the issuer, or of an affiliated entity of the issuer, beneficially owned or controlled by each person or company referred to in subparagraph (i) for which there would be a material change

Mr. Abdiye now owns 180,000 common shares in the capital of the Company, which represents 0.00% of the total common shares issued and outstanding of the Company.

Mr. Abdiye now owns 90,000 Warrants of the Company, which represents 0.001% [of the total Warrants issued and outstanding] of the Company.

(e) unless this information will be included in another disclosure document for the transaction, a discussion of the review and approval process adopted by the board of directors and the special committee, if any, of the issuer for the transaction, including a discussion of any materially contrary view or abstention by a director and any material disagreement between the board and the special committee

The board of directors of the Company approved the Debt Settlement and issuance of securities on September 29th, 2022. Mr. Abdiye is not a director of the Company.

(f) a summary in accordance with section 6.5 of MI 61-101, of the formal valuation, if any, obtained for the transaction, unless the formal valuation is included in its entirety in the material change report or will be included in its entirety in another disclosure document for the transaction

Not applicable.

(g) disclosure, in accordance with section 6.8 of MI 61-101, of every prior valuation in respect of the issuer that related to the subject matter of or is otherwise relevant to the transaction:

(i) that has been made in the 24 months before the date of the material change report

Not applicable.

(ii) the existence of which is known, after reasonable enquiry, to the issuer or to any director or officer of the issuer

Not applicable.

(h) the general nature and material terms of any agreement entered into by the issuer, or a related party of the issuer, with an interested party or a joint actor with an interested party, in connection with the transaction

See Item 5.1(a) above.

(i) disclosure of the formal valuation and minority approval exemptions, if any, on which the issuer is relying under sections 5.5 and 5.7 of MI 61-101 respectively, and the facts supporting reliance on the exemptions

Pursuant to section 5.5(b) of MI 61-101, the Company is exempt from obtaining a formal valuation as the common shares of the Company are not listed on a specified market due to being listed on the Canadian Securities Exchange.

Pursuant to section 5.7(1)(a) of MI 61-101, the Company is exempt from obtaining minority approval of the Company's shareholders in respect of the Debt Settlement because the fair market value of the securities issued is not more than 25% of market capitalization.

6. **Reliance on Subsection 7.1(2) of National Instrument 51-102**

Not Applicable.

7. **Omitted Information**

Not Applicable.

8. **Executive Officer**

The name and business number of the executive officer of the Company who is knowledgeable about the material change and this report is:

Philip Thomas, Chief Executive Officer
1-778-881-4631

9. **Date of Report**

October 11, 2022