



## **SPEY RESOURCES CORP.**

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS  
AND  
MANAGEMENT INFORMATION CIRCULAR**

**Dated: October 13, 2022**

### **Meeting Details**

**Date:** November 9, 2022  
**Time:** 10:00 a.m. (Vancouver time)  
**Location:** 666 Burrard St, Vancouver, BC V6C 2Z7



# Spey Resources Corp.

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#3500 - 1055 Dunsmuir Street  
Vancouver, British Columbia V7X 1L3  
Telephone: 778-881-4631

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN** that the annual general and special meeting (the “**Meeting**”) of the holders of common shares (“**Shareholders**”) of Spey Resources Corp. (the “**Company**”) will be held on November 9, 2022, at 10 a.m. (Vancouver time) at 666 Burrard St, Vancouver, BC V6C 2Z7 for the following purposes:

- (a) to receive and consider the audited consolidated financial statements of the Company as at and for the financial years ended November 30, 2021 and November 30, 2020, together with the report of the auditor thereon;
- (b) to appoint Manning Elliot LLP, Chartered Professional Accountants, as auditor of the Company for the ensuing year and authorize the board of directors (the “**Board**”) to fix the remuneration of the auditor;
- (c) to fix the number of the directors of the Company for the ensuing year at three (3);
- (d) to elect directors of the Company to hold office for the ensuing year;
- (e) to consider and, if deemed appropriate, to pass an ordinary resolution to approve the existing equity incentive plan of the Company, as more particularly described in the accompanying management information circular; and
- (f) to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The specific details of the foregoing matters to be put before the Meeting, as well as further information with respect to voting by proxy, are set forth in the information circular.

**A shareholder who is unable to attend the Meeting and who wishes to ensure that such Shareholder’s shares will be voted at the Meeting is requested to complete, date and sign the enclosed form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the information circular.**

As set out in the notes, the enclosed proxy is solicited by management, but, you may amend it, if you so desire, by striking out the names listed therein and inserting in the space provided the name of the person you wish to represent you at the Meeting.

**DATED** this 13<sup>th</sup> day of October, 2022

By order of the Board of Directors:

Signed: "*Nader Vatanchi*"

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Nader Vatanchi  
Director

# Spey Resources Corp.

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#3500 - 1055 Dunsmuir Street  
Vancouver, British Columbia V7X 1L3  
Telephone: 778-881-4631

## **MANAGEMENT INFORMATION CIRCULAR**

(containing information as at October 13, 2022 unless otherwise stated)

**For the Annual General and Special Meeting of Shareholders  
to be held on November 9, 2022**

### **SOLICITATION OF PROXIES**

This information circular (this “**Circular**”) is furnished in connection with the solicitation of proxies by the management of Spey Resources Corp. (the “**Company**”), for use at the general and special meeting (the “**Meeting**”) of the shareholders (“**Shareholders**”) of the Company to be held on November 9, 2022, at the time and place set out in the accompanying notice of Meeting (the “**Notice**”) and for the purposes set forth in the accompanying Notice. References in this Circular to the Meeting include any adjournment or postponement thereof.

The enclosed instrument of proxy (the “**Proxy**”) is solicited by management of the Company (“**Management**”). The solicitation will be primarily by mail, however, proxies may be solicited personally or by telephone by the regular officers and employees of the Company. The cost of solicitation will be borne by the Company.

### **APPOINTMENT AND REVOCATION OF PROXIES**

The persons named in the Proxy are representatives of the Company (the “**Designees**”).

**A Shareholder entitled to vote at the Meeting has the right to appoint a person (who need not be a Shareholder) to attend and act on the Shareholder’s behalf at the Meeting other than the Designees. To exercise this right, a Shareholder shall strike out the names of the persons named in the Proxy and insert the name of the Shareholder’s nominee in the blank space provided or complete another suitable form of proxy.**

A Proxy will not be valid unless it is duly completed, signed and deposited with the Company’s registrar and transfer agent, TSX Trust Company of Canada (“**TSX Trust**”), by mail at TSX Trust Company 301 -100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by fax within North America at (416) 595-9593 or via the internet at [www.voteproxyonline](http://www.voteproxyonline), not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. A Proxy must be signed by the Shareholder or by his attorney in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

### **VOTING BY PROXYHOLDER**

#### **Manner of Voting**

The common shares in the capital of the Company represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder on any ballot that may be called for and, if the Shareholder specifies a choice on the Proxy with respect to any matter to be acted upon, the shares will be voted accordingly. On any poll, the persons named in the Proxy (the “**Proxyholders**”) will vote the shares in respect of which they are appointed. Where directions are given by the Shareholder in respect of voting for or against any resolution, the Proxyholder will do so in accordance with such direction.

The Proxy, when properly signed, confers discretionary authority on the Proxyholder with respect to amendments or variations to the matters which may properly be brought before the Meeting. At the time of printing this Circular, Management is not aware that any such amendments, variations or other matters are to be presented for action at the Meeting. However, if any other matters which are not now known to Management should properly come before the

Meeting, the proxies hereby solicited will be exercised on such matters in accordance with the best judgment of the Proxyholder.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, in favour of the motions proposed to be made at the Meeting as stated under the headings in this Circular.**

### **Revocation of Proxy**

A Shareholder who has given a Proxy may revoke it at any time before it is exercised. In addition to revocation in any other manner permitted by law, a Proxy may be revoked by instrument in writing executed by the Shareholder or by his or her attorney authorized in writing, or, if the Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer and deposited with the Company's registrar and transfer agent, TSX Trust, by mail at TSX Trust Company 301 -100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by fax within North America at (416) 595-9593, or via the internet at [www.voteproxyonline](http://www.voteproxyonline) at any time up to and including the last business day preceding the day of the Meeting, or any adjournment of it, at which the Proxy is to be used, or to the Chair of the Meeting on the day of the Meeting or any adjournment of it. A revocation of a Proxy does not affect any matter on which a vote has been taken prior to the revocation.

### **Voting Thresholds Required for Approval**

In order to approve a motion proposed at the Meeting, a majority of not less than one-half of the votes cast will be required (an "**Ordinary Resolution**") unless the motion requires a special resolution (a "**Special Resolution**"), in which case a majority of not less than two-thirds of the votes cast will be required. In the event a motion proposed at the Meeting requires disinterested Shareholder approval, common shares held by Shareholders of the Company who are also "insiders", as such term is defined under applicable securities laws, will be excluded from the count of votes cast on such motion.

### **ADVICE TO REGISTERED SHAREHOLDERS**

Shareholders whose names appear on the records of the Company as the registered holders of Common Shares (the "**Registered Shareholders**") may choose to vote by proxy whether or not they are able to attend the Meeting in person.

Registered Shareholders who are unable to attend the Meeting are requested to complete, sign, date and return the Proxy either in the addressed envelope enclosed to TSX Trust, by mail at TSX Trust Company 301 -100 Adelaide Street West, Toronto, Ontario, M5H 4H1, by fax within North America at (416) 595-9593 or via the internet at [www.voteproxyonline](http://www.voteproxyonline) not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. The Proxy may be signed by the Shareholder or by his or her attorney in writing, or, if the Registered Shareholder is a corporation, it must either be under its common seal or signed by a duly authorized officer.

### **Returning your Proxy Form**

To be effective, a completed, signed and dated Proxy must be received no later than 10:00 a.m. (Vancouver time) on November 7, 2022, as indicated above.

If the Meeting is postponed or adjourned, a completed, signed and dated Proxy must be received by 10:00 a.m. (Vancouver time), two full business days before any adjourned or postponed Meeting at which the Proxy is to be used. Late Proxies may be accepted or rejected by the Chairman of the Meeting at his or her discretion and he or she is under no obligation to accept or reject a late Proxy. The Chairman of the Meeting may waive or extend the proxy cut-off without notice.

### **ADVICE TO BENEFICIAL SHAREHOLDERS**

**The information set forth in this section is of significant importance to many Shareholders as a substantial number of Shareholders do not hold shares in their own name.**

Shareholders who do not hold their shares in their own name (referred to in this Circular as “**Beneficial Shareholders**”) should note that only Proxies deposited by Registered Shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

If shares are listed in an account statement provided to a Shareholder by an intermediary, such as a brokerage firm, then, in almost all cases, those shares will not be registered in the Shareholder’s name on the records of the Company. Such shares will more likely be registered under the name of the Shareholder’s intermediary or an agent of that intermediary, and consequently the Shareholder will be a Beneficial Shareholder. In Canada, the vast majority of such shares are registered under the name CDS & Co. (being the registration name for the Canadian Depository for Securities, which acts as nominee for many Canadian brokerage firms). The shares held by intermediaries or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, an intermediary and its agents are prohibited from voting shares for the intermediary’s clients. **Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their shares are communicated to the appropriate person.**

Applicable regulatory rules require brokers and other intermediaries holding shares for others to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. Every broker or intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their shares are voted at the Meeting. The purpose of proxy or voting instruction form provided to a Beneficial Shareholder by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the Beneficial Shareholder.

The majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Investor Communications (“**Broadridge**”). Broadridge typically supplies a voting instruction form, mails those forms to Beneficial Shareholders and asks those Beneficial Shareholders to return the forms to Broadridge or follow specific telephone or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the Meeting. **A Beneficial Shareholder receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure such shares are voted.**

There are two kinds of Beneficial Shareholders, those who object to their name being made known to the issuers of securities which they own (“**OBOs**” for Objecting Beneficial Owners) and those who do not object to the issuers of the securities they own knowing who they are (“**NOBOs**” for Non-Objecting Beneficial Owners). The Company does not intend to pay for intermediaries to deliver these securityholder materials to OBOs and, as a result, OBOs will not be sent paper copies unless their intermediary assumes the costs.

### **Non-Objecting Beneficial Owners**

Pursuant to National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”), issuers can obtain a list of their NOBOs from intermediaries for distribution of proxy-related materials directly to NOBOs. This year, the Company will rely on those provisions of NI 54-101 that permit it to directly deliver proxy-related materials to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form (“**VIF**”) from the Company’s transfer agent, TSX Trust. These VIFs are to be completed and returned to TSX Trust in the envelope provided or by facsimile. In addition, TSX Trust provides both telephone voting and internet voting as described on the VIF itself which contains complete instructions. TSX Trust will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

If you are a Beneficial Shareholder and the Company or its agent has sent these proxy-related materials to you directly, please be advised that your name, address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding your securities on your behalf. By choosing to send these proxy-related materials to you directly, the Company (and not the intermediaries holding securities your behalf) has assumed responsibility for (i) delivering the proxy-related materials to you and (ii) executing your proper voting instructions as specified in the VIF.

### **Objecting Beneficial Owners**

Beneficial Shareholders who are OBOs should follow the instructions of their intermediary carefully to ensure that their shares are voted at the Meeting.

Applicable regulatory rules require intermediaries to seek voting instructions from OBOs in advance of Shareholders' meetings. Every intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by OBOs in order to ensure that their shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form provided to an OBO by its broker, agent or nominee is limited to instructing the registered holder of the shares on how to vote such shares on behalf of the OBO. The form of proxy provided to OBOs by intermediaries will be similar to the Proxy provided to Registered Shareholders. However, its purpose is limited to instructing the intermediary on how to vote your shares on your behalf. The majority of intermediaries now delegate responsibility for obtaining instructions from OBOs to Broadridge. Broadridge typically supplies voting instruction forms, mails those forms to OBOs, and asks those OBOs to return the forms to Broadridge or follow specific telephonic or other voting procedures. Broadridge then tabulates the results of all instructions received by it and provides appropriate instructions respecting the voting of the shares to be represented at the meeting. **An OBO receiving a voting instruction form from Broadridge cannot use that form to vote shares directly at the Meeting. Instead, the voting instruction form must be returned to Broadridge or the alternate voting procedures must be completed well in advance of the Meeting in order to ensure that such shares are voted.**

### **Notice-and-Access**

The Company is not relying on the notice-and-access delivery procedures outlined in NI 54-101 to distribute copies of the Circular, Proxy or VIF.

### **INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON**

Except as otherwise disclosed herein, none of the directors ("**Directors**") or executive officers ("**Officers**") of the Company, at any time since the beginning of the Company's last financial year, nor any proposed nominee for election as a Director, or any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matters to be acted upon at the Meeting exclusive of the election of directors or the appointment of auditors.

### **RECORD DATE, VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF**

A Shareholder of record at the close of business at 5:00 p.m. (Vancouver time) on October 7, 2022 (the "**Record Date**") who either personally attends the Meeting, or who has completed and delivered a Proxy in the manner and subject to the provisions described above, shall be entitled to vote or to have such shareholder's shares voted at the Meeting, or any adjournment thereof.

The Company's authorized capital consists of an unlimited number of common shares (the "**Common Shares**") without par value. As at the Record Date, the Company has 105,921,692 Common Shares issued and outstanding, each share carrying the right to one vote.

### **Principal Holders of Voting Securities**

To the best of knowledge of the directors and senior officers of the Company, as of the date of the Circular, no persons or corporations beneficially own, directly or indirectly, or exercise control or direction over, Common Shares carrying more than 10% of the voting rights attached to all outstanding Common Shares of the Company.

## EXECUTIVE COMPENSATION

### For the purpose of this Circular:

“CEO” means an individual who acted as chief executive officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“CFO” means an individual who acted as chief financial officer of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“Director” means an individual who acted as a director of the Company, or acted in a similar capacity, for any part of the most recently completed financial year;

“Stock Option Plan” means an incentive plan, or portion of an incentive plan, under which awards are granted and that falls within the scope of IFRS 2 *Share-Based Payments*;

“NEO” or “named executive officer” means each of the following individuals:

- (a) a CEO;
- (b) a CFO;
- (c) each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6) of National Instrument 51-102 – *Continuous Disclosure Obligations* (“NI 51-102”), for that financial year; and
- (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year.

### Statement of Executive Compensation

The following information regarding executive compensation is presented in accordance with National Instrument Form 51-102F6V – *Statement of Executive Compensation*, and sets forth compensation for each of the NEOs, named executive officers and directors of the Company.

### Director and NEO Compensation, Excluding Compensation Securities

The following table sets out all compensation paid, payable, awarded, granted, given, or otherwise provided, directly or indirectly, by the Company to each NEO, in any capacity, and each director, in any capacity, during the most recently completed financial years ending November 30, 2021 and November 30, 2020:

<b>Table of Compensation Excluding Compensation Securities</b>							
<b>Name and position</b>	<b>Year <sup>(1)</sup></b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Phillip Thomas, CEO <sup>(2)</sup>	2021	nil	nil	nil	nil	nil	nil
	2020	nil	nil	nil	nil	nil	nil
Harry Nijjar, CFO <sup>(3)</sup>	2021	nil	nil	nil	nil	nil	nil
	2020	nil	nil	nil	nil	nil	nil
Nader Vatanchi <sup>(4)</sup> Former CEO, Director	2021	55,000	nil	nil	nil	nil	55,000 <sup>(5)</sup>
	2020	nil	nil	nil	nil	nil	nil
Abbey Abdiye <sup>(6)</sup> Former CFO and Former Director	2021	39,000	nil	nil	nil	nil	39,000 <sup>(7)</sup>
	2020	nil	nil	nil	nil	nil	nil
Ian Graham <sup>(8)</sup>	2021	nil	nil	nil	nil	nil	nil



<b>Table of Compensation Excluding Compensation Securities</b>							
<b>Name and position</b>	<b>Year <sup>(1)</sup></b>	<b>Salary, consulting fee, retainer or commission (\$)</b>	<b>Bonus (\$)</b>	<b>Committee or meeting fees (\$)</b>	<b>Value of perquisites (\$)</b>	<b>Value of all other compensation (\$)</b>	<b>Total compensation (\$)</b>
Director	2020	nil	nil	nil	nil	nil	nil
Lawrence Hay <sup>(9)</sup>	2021	nil	nil	nil	nil	nil	nil
Director	2020	nil	nil	nil	nil	nil	nil
Marshall Farris <sup>(10)</sup>	2021	nil	nil	nil	nil	nil	nil
Former CEO, Corporate Secretary and Director	2020	18,000	nil	nil	nil	nil	18,000 <sup>(11)</sup>
Tracey Mabone <sup>(12)</sup>	2021	nil	nil	nil	nil	nil	nil
Former CFO and Director	2020	13,500	nil	nil	nil	nil	13,500 <sup>(13)</sup>
David Thornley-Hall <sup>(14)</sup>	2021	23,000	nil	nil	nil	nil	23,000 <sup>(15)</sup>
Former President and Director	2020	26,000	nil	nil	nil	nil	26,000 <sup>(16)</sup>
Kelvin Lee <sup>(17)</sup>	2021	14,000	nil	nil	nil	nil	14,000 <sup>(18)</sup>
Former CFO, Corporate Secretary, and Director	2020	nil	nil	nil	nil	nil	nil

Notes:

- (1) Information provided in this table is for the years ended November 30, 2020 and 2021.
- (2) Mr. Thomas was appointed as CEO on October 3, 2022.
- (3) Mr. Nijjar was appointed as CFO on October 12, 2022.
- (4) Mr. Vatanchi was appointed as CEO and director on March 26, 2021 and ceased to be CEO on October 3, 2022.
- (5) Mr. Vatanchi did not receive any compensation in consideration of the services he provided as a director.
- (6) Mr. Abdiye was appointed as CFO and director on June 29, 2021, and resigned as a director on December 13, 2021 and CFO on October 12, 2022.
- (7) Mr. Abdiye did not receive any compensation in consideration of the services he provided as a director.
- (8) Mr. Graham was appointed as a director on January 31, 2019.
- (9) Mr. Hay was appointed as a director on December 13, 2021.
- (10) Mr. Farris was appointed as CEO, corporate secretary and director on July 31, 2017, and resigned from each position on March 26, 2021.
- (11) Mr. Farris did not receive any compensation in consideration of the services he provided as a director.
- (12) Ms. Mabone was appointed as CFO and director on July 31, 2017, and resigned as a director on January 10, 2019 and as CFO on September 29, 2020.
- (13) Ms. Mabone did not receive any compensation in consideration of the services he provided as a director.
- (14) Mr. Thornley-Hall was appointed as President and director on January 10, 2021, and resigned from each position on July 3, 2021.
- (15) Mr. Hall did not receive any compensation in consideration of the services he provided as a director.
- (16) Mr. Hall did not receive any compensation in consideration of the services he provided as a director.
- (17) Mr. Lee was appointed as CFO, corporate secretary and director on September 29, 2020, and resigned from each position on June 29, 2021.
- (18) Mr. Lee did not receive any compensation in consideration of the services he provided as a director.

### **Stock Options and Other Compensation Securities**

Except as disclosed below, no compensation securities were granted or issued to NEOs or directors during the most recently completed financial year ended November 30, 2021.

<b>Compensation Securities</b>							
<b>Name and position</b>	<b>Type of compensation security</b>	<b>Number of compensation securities, number of underlying securities, and percentage of class</b>	<b>Date of issue or grant</b>	<b>Issue, conversion or exercise price (\$)</b>	<b>Closing price of security or underlying security on date of grant (\$)</b>	<b>Closing price of security or underlying security at year end (\$)</b>	<b>Expiry date</b>
Nader Vatanchi Former <i>CEO &amp; Director</i> <sup>(1)</sup>	Stock options	250,000	March 25, 2021	\$0.105	\$0.105	\$0.39	March 25, 2026
	Stock options	175,000	June 26, 2021	\$0.365	\$0.365	\$0.39	June 4, 2026
Ian Graham <i>Director</i> <sup>(2)</sup>	Stock options	200,000	March 25, 2021	\$0.105	\$0.105	\$0.39	March 25, 2026
	Stock options	50,000	June 26, 2021	\$0.365	\$0.365	\$0.39	June 4, 2026
Abbey Abdiye <i>Former CFO</i> <sup>(3)</sup>	Stock options	100,000	June 26, 2021	\$0.365	\$0.365	\$0.39	June 4, 2026
Lawrence Hay <i>Director</i> <sup>(4)</sup>	Stock options	N/A	N/A	N/A	N/A	N/A	N/A

Notes:

- (1) As at November 30, 2021, Nader Vatanchi owns an aggregate of 425,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share.
- (2) As at November 30, 2021, Ian Graham owns an aggregate of 250,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share.
- (3) As at November 30, 2021, Abbey Abdiye owns an aggregate of 100,000 compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share.
- (4) As at November 30, 2021, Lawrence Hay owns an aggregate of nil compensation securities, comprised solely of stock options, each of which is exercisable into one Common Share.

### **Exercise of Compensation Securities by Directors and NEOs**

No NEO or Director of the Company exercised compensation securities in the most recently completed financial year ended November 30, 2021.

## **Stock Option Plans and Other Incentive Plans**

Other than the Company's current amended and restated stock option plan (the “**Plan**”) which provides for the grant of stock options (“**Options**”) rights to receive any number of fully paid and non-assessable Shares (“**Restricted Share Rights**”) as a discretionary payment in consideration of past services to the Company or as an incentive for future services, the Company currently does not have any stock option plan, stock option agreement made outside of a stock option plan, plan providing for the grant of stock appreciation rights, or any other incentive plan or portion of a plan under which awards are granted.

The Plan was approved by the board of directors of the Company (the “**Board**”) on October 3, 2022. The purpose of the Plan is to ensure that the Company is able to provide an incentive program for directors, officers, employees and persons providing services to the Company (each, an “**Awardee**”) that provides enough flexibility in the structuring of incentive benefits to allow the Company to remain competitive in the recruitment and maintenance of key personnel.

The Plan is administered by the Board, which shall, without limitation, have full and final authority in its discretion, but subject to the express provisions of the Plan, to interpret the Plan, to prescribe, amend and rescind rules and regulations relating to it and to make all other determinations deemed necessary or advisable for the administration of the Plan, subject to any necessary shareholder or regulatory approval. The Board may delegate any or all of its authority with respect to the administration of the Plan. The Board shall determine to whom Options shall be granted, the terms and provisions of the respective option agreements, the time or times at which such Options shall be granted and vested, and the number of Common Shares to be subject to each Option.

The key features of the Plan are as follows:

### *Options*

- The maximum number of Common Shares issuable under the Plan shall not exceed 10% of the number of common shares of the Company issued and outstanding as of each award date, inclusive of all Common Shares reserved for issuance pursuant to previously granted stock options.
- The Options have a maximum term of 5 years from the date of issue.
- Options vest as the Board may determine upon the award of the Options.
- The exercise price of Options granted under the Plan will be determined by the Board but will not be less than the greater of the closing market price of the Company’s common shares on the Canadian Securities Exchange on (a) the trading day prior to the date of grant of the Options; and (b) the date of grant of the Options.
- The expiry date of an Option shall be the earlier of the date fixed by the Company’s board of directors on the award date, and: (a) in the event of the death of the option holder while he or she is a director or employee (other than an employee performing investor relations activities), 12 months from the date of death of the option holder, or while he or she is a consultant or an employee performing investor relations activities, 30 days from the date of death of the option holder; (b) in the event that the option holder holds his or her option as a director and such option holder ceases to be a director of the Company other than by reason of death, 90 days following the date the option holder ceases to be a director (provided however that if the option holder continues to be engaged by the Company as an employee or consultant, the expiry date shall remain unchanged), unless the option holder ceases to be a director as a result of ceasing to meet the qualifications set forth in section 124 of the *Business Corporations Act* (British Columbia) or a special resolution passed by the shareholders of the Company pursuant to section 128(3) of the *Business Corporations Act* (British Columbia), in which case the expiry date will be the date that the option holder ceases to be a director of the Company; (c) in the event that the option holder holds his or her option as an employee or consultant of the Company (other than an employee or consultant performing investor relations activities) and such option holder ceases to be an employee or consultant of the Company other than by reason of death, 30 days following the date the option holder ceases to be an employee or consultant, unless the option holder ceases to be such as a result of termination for cause or an order of the British Columbia Securities Commission, the Canadian Securities Exchange or any regulatory body having jurisdiction to so order, in which case the expiry date shall be the date the option holder ceases to be an employee or consultant of the Company; and (d) in

the event that the option holder holds his or her option as an employee or consultant of the Company who provides investor relations activities on behalf of the Company, and such option holder ceases to be an employee or consultant of the Company other than by reason of death, the expiry date shall be the date the option holder ceases to be an employee or consultant of the Company.

#### *Restricted Share Rights*

- The Plan allows the Company to grant, in its sole and absolute discretion, to any Awardee, Restricted Share Rights as a discretionary payment in consideration of past services to the Company or as an incentive for future services, subject to the Plan and with such additional provisions and restrictions as the Board may determine.
- For purposes of calculating the number of Restricted Share Rights to be granted, the Company shall be obligated to value the Common Shares underlying such Restricted Share Rights at not less than one hundred per cent (100%) of the closing market price of the Common Shares on the trading day prior to such date.
- Concurrent with the determination to grant Restricted Share Rights to an Awardee, the Board determines the period of time that a Restricted Share Right is not vested and the Awardee holding such Restricted Share Right remains ineligible to receive the relevant Common Shares, however, such period of time may be reduced or eliminated from time to time and at any time and for any reason as determined by the Board, including, but not limited to, circumstances involving death or disability of a Awardee (the “**Restricted Period**”).
- In addition, at the sole discretion of the Board, at the time of grant, the Restricted Share Rights may be subject to performance conditions to be achieved by the Company or a class of Awardees or by a particular Awardee on an individual basis, within a Restricted Period, for such Restricted Share Rights to entitle the holder thereof to receive the underlying Common Shares.
- Upon expiry of the applicable Restricted Period (or on the Deferred Payment Date (as defined within the Plan), as applicable), a Restricted Share Right shall be automatically settled, and without the payment of additional consideration or any other further action on the part of the holder of the Restricted Share Right, the underlying Common Shares shall be issued to the holder of such Restricted Share Rights, which Restricted Share Rights shall then be cancelled.
- In the event and to the extent of the retirement or termination from all such roles with the Company: (i) during the Restricted Period, any Restricted Share Rights held by the Awardee shall immediately terminate and be of no further force or effect; provided, however, that the Board shall have the absolute discretion to modify the grant of the Restricted Share Rights to provide that the Restricted Period shall terminate immediately prior to the date of such occurrence; and (ii) following the Restricted Period and prior to a Deferred Payment Date, the Awardee shall be entitled to receive, and the Company shall issue forthwith, Common Shares in satisfaction of the Restricted Share Rights then held by the Awardee.
- In the event of the death or total disability of a Awardee, any Common Shares represented by Restricted Share Rights held by the Awardee shall be immediately issued by the Company to the Awardee or legal representative of the Awardee.
- In the event of a change of control, all Restricted Share Rights outstanding shall vest immediately and be settled by the issuance of Common Shares.
- Subject to the absolute discretion of the Board, in the event that a dividend (other than a stock dividend) is declared and paid by the Company on the Common Shares, an Awardee may be credited with additional Restricted Share Rights.

The Plan may be terminated at any time by resolution of the Board, but any such termination will not affect or prejudice rights of Awardees holding Options and Restricted Share Rights at that time. If the Plan is terminated, outstanding Options and Restricted Share Rights will continue to be governed by the provisions of the Plan.

### **Employment, Consulting and Management Agreements**

Management functions of the Company are not, to any substantial degree, performed other than by directors or NEOs of the Company. There are no agreements or arrangements that provide for compensation to NEOs or directors of the Company, or that provide for payments to a NEO or director at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, severance, a change of control in the Company or a change in the NEO or director's responsibilities.

### **Oversight and Description of Director and NEO Compensation**

The objective of the Company's compensation program is to compensate the executive officers for their services to the Company at a level that is both in line with the Company's fiscal resources and competitive with companies at a similar stage of development.

The Company compensates its executive officers based on their skill, qualifications, experience level, level of responsibility involved in their position, the existing stage of development of the Company, the Company's resources, industry practice and regulatory guidelines regarding executive compensation levels.

The Board has implemented three levels of compensation to align the interests of the executive officers with those of the Shareholders. First, executive officers may be paid a monthly consulting fee or salary. Second, the Board may award executive officers long term incentives in the form of stock options. Finally, and only in special circumstances, the Board may award cash or share bonuses for exceptional performance that results in a significant increase in Shareholder value. The Company provides medical and dental benefits but it does not provide pension or other benefits to the executive officers.

The base compensation of the executive officers is reviewed and set annually by the Board. The CEO has substantial input in setting annual compensation levels. The CEO is directly responsible for the financial resources and operations of the Company. In addition, the CEO and Board from time to time determine the stock option grants to be made pursuant to the Company's stock option plan. Previous grants of stock options are taken into account when considering new grants. The Board awards bonuses at its sole discretion. The Board does not have pre-existing performance criteria or objectives.

Compensation for the most recently completed financial year should not be considered an indicator of expected compensation levels in future periods. All compensation is subject to and dependent on the Company's financial resources and prospects.

### **Pension Plan Benefits**

No pension, retirement or deferred compensation plans, including defined contribution plans, have been instituted by the Company and none are proposed at this time.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLAN

The following table sets forth information with respect to all compensation plans under which equity securities are authorized for issuance as of November 30, 2021:

<i>Equity Compensation Plan Information</i>			
<b>Plan Category</b>	<b>Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)</b>	<b>Weighted-average exercise price of outstanding options, warrants and rights (b)</b>	<b>Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)<sup>(1)</sup></b>
Equity compensation plans approved by securityholders	3,439,000	\$0.26	3,524,150
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
<b>Total</b>	<b>3,439,000</b>	<b>\$0.26</b>	<b>3,524,150</b>

Notes:

(1) Represents the number of Common Shares available for issuance under the Plan, which reserves a number of Common Shares for issuance, pursuant to the exercise of Options, that is equal to 10% of the issued and outstanding Common Shares from time to time.

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date hereof, other than indebtedness that has been entirely repaid on or before the date of this Circular or “routine indebtedness”, as that term is defined in Form 51-102F5 of National Instrument 51-102 – *Continuous Disclosure Obligations*, none of

- (a) the individuals who are, or at any time since the beginning of the last financial year of the Company were, a Director or Officer;
- (b) the proposed nominees for election as Directors; or
- (c) any associates of the foregoing persons,

is, or at any time since the beginning of the most recently completed financial year has been, indebted to the Company or any subsidiary of the Company (a “**Subsidiary**”), or is a person whose indebtedness to another entity is, or at any time since the beginning of the most recently completed year has been, the subject of a guarantee support agreement, letter of credit or other similar arrangement or understanding provided by the Company or any Subsidiary.

## INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

For purposes of this section, “**Informed Person**” means (a) a Director or Officer of the Company; (b) a director or executive officer of a person or company that is itself an Informed Person or a subsidiary of the Company; (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, voting securities of the Company or a combination of both carrying more than 10 percent of the voting rights attached to all outstanding voting securities of the Company, other than the voting securities held by the person or company as underwriter in the course of a distribution; and (d) the Company itself if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

Except as disclosed below, elsewhere herein or in the Notes to the Company’s financial statements for the financial for the year ended November 30, 2021, none of

- (a) the Informed Persons of the Company;
- (b) the proposed nominees for election as a Director; or
- (c) any associate or affiliate of the foregoing persons,

has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in a proposed transaction which has materially affected or would materially affect the Company or any subsidiary of the Company.

### **APPOINTMENT OF AUDITOR**

Manning Elliot LLP, Chartered Professional Accountants (“**Manning Elliot**”) is the Company’s auditor and was appointed as the Company’s auditor on November 17, 2017. Management is recommending the appointment of Manning Elliot as Auditors for the Company, to hold office until the next annual general meeting of the Shareholders at a remuneration to be fixed by the Board of Directors. Management recommends the appointment, and the persons named in the enclosed form of Proxy intend to vote in favour of such appointment.

### **MANAGEMENT CONTRACTS**

Except as disclosed herein, the Company is not a party to a Management Contract whereby management functions are to any substantial degree performed other than by the directors or executive officers of the Company.

### **PARTICULARS OF MATTERS TO BE ACTED UPON**

#### **1. Presentation of Financial Statements**

The audited consolidated financial statements of the Company for the financial years ended November 30, 2021 and 2020, together with the auditor’s report thereon, will be presented to Shareholders at the Meeting, but no vote thereon is required. These documents are available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com), from TSX Trust at 301 -100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or the Company’s head office located at #3500 - 1055 Dunsmuir Street, Vancouver, British Columbia V7X 1L3.

#### **2. Appointment and Remuneration of Auditor**

Shareholders will be asked to approve the appointment of Manning Elliot as the auditor of the Company to hold office until the next annual general meeting of the Shareholders at remuneration to be fixed by the Board.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR appointing Manning Elliot as the Company’s independent auditor for the ensuing year, and FOR authorizing the Board to fix the auditor’s pay.**

#### **3. Fixing the Number of Directors**

The Board presently consists of three (3) directors and Management proposes, and the persons named in the accompanying form of proxy intend to vote in favour of fixing the number of directors for the ensuing year at three (3). Although Management is nominating three (3) individuals to stand for election, the names of further nominees for directors may come from the floor at the Meeting.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR fixing the number of Directors at three (3) for the ensuing year.**

#### **4. Election of Directors**

Each Director of the Company is elected annually and holds office until the next annual general meeting of Shareholders or until their successor is duly elected or appointed, unless their office is earlier vacated in accordance with the Articles of the Company.

The persons named in the enclosed Instrument of Proxy intend to vote in favour of fixing the number of directors at three (3). Although Management is nominating three (3) individuals to stand for election, the names of further nominees for Directors may come from the floor at the Meeting.

**In the absence of instructions to the contrary, the Proxyholders intend to the vote the Common Shares represented by each Proxy, properly executed, FOR the nominees herein listed. Management does not contemplate that any of the nominees will be unable to serve as a Director.**

#### ***Information Concerning Nominees Submitted by Management***

The following table sets out the names of the persons proposed to be nominated by Management for election as a Director, the province or state and country in which each is ordinarily resident, the positions and offices which each presently holds with the Company, the period of time for which each has been a director of the Company, the respective principal occupations or employment during the past five years if such nominee is not presently an elected director and the number of shares of the Company which each beneficially owns, directly or indirectly, or over which control or direction is exercised as of the date of this Circular.

<b>Name, Province and Country of ordinary residence, and positions held with the Company<sup>(1)</sup></b>	<b>Principal occupation and , IF NOT an elected Director, principal occupation during the past five years<sup>(1)</sup></b>	<b>Date(s) serving as a Director<sup>(2)</sup></b>	<b>No. of shares beneficially owned or controlled<sup>(1)</sup></b>
<b>Nader Vatanchi<sup>(3)</sup></b> British Columbia, Canada <i>Director</i>	Director	March 26, 2021	[*], [%]
<b>Ian Graham<sup>(3)</sup></b> British Columbia, Canada <i>Director</i>	Director	January 31, 2019	[*], [%]
<b>Lawrence Hay<sup>(3)</sup></b> British Columbia, Canada <i>Director</i>	Director	December 13, 2021	[*], [%]

Notes:

- (1) The information as to ordinary residence, principal occupation and number of common shares of the Company beneficially owned, or controlled or directed, directly or indirectly, by the nominee director and his or her associates and affiliates, not being within the knowledge of the Company, has been furnished by the respective nominees. Information provided as at the Record Date.
- (2) The Company does not set expiry dates for the terms of office of Directors. Each Director holds office as long as he is elected annually by Shareholders at annual general meetings, unless his office is earlier vacated in accordance with the Articles of the Company.
- (3) Member of Audit Committee.

The Company does not currently have an Executive Committee of its Board of Directors.

#### ***Cease Trade Orders, Corporate and Personal Bankruptcies, Penalties and Sanctions***

For purposes of the disclosure in this section, an “order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation, in each case that was in effect for a period of more than 30 consecutive days; and, for purposes of item (a)(i) below, specifically includes a management cease trade order which applies to directors or executive officers of a relevant company that



was in effect for a period of more than 30 consecutive days whether or not the proposed director was named in the order.

Except as set out below, to the best of knowledge of the Company, none of the proposed directors, including any personal holding company of a proposed director:

- (a) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company (including the Company) that:
  - (i) was subject to an order that was issued while the proposed director was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
  - (ii) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as a director, chief executive officer or chief financial officer of the company; or
- (b) is, as at the date of this Circular, or has been, within the 10 years before the date of this Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets;
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director;
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority since December 31, 2000, or before December 31, 2000 if the disclosure of which would likely be important to a reasonable security holder in deciding whether to vote for a proposed director; or
- (e) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security holder in deciding whether to vote for a proposed director.

On August 27, 2021, the British Columbia Securities Commission issued a cease trade order to the Company, which Nader Vatanchi serves as Director and formerly Chief Executive Officer, Abbey Abdiye served as Chief Financial Officer and Director and that Ian Graham services as Director, for failing to file: (a) the Candela II Report; (b) a business acquisition report in respect of the Tech One Acquisition; (c) the material contracts in respect of the Tech One Acquisition; (d) a material change report in respect of the Tech One Acquisition and (e) the management discussion and analysis for the three and six months ended May 31, 2021. The cease trade order was revoked on August 12, 2022.

## **5. Approval of Stock Option Plan**

In accordance with the policies of the Canadian Securities Exchange (the “**Exchange**”), a plan with a rolling ten (10%) maximum must be confirmed by the Shareholders at each annual general meeting.

Accordingly, Shareholders will be asked to pass an ordinary resolution approving the Company’s Plan to accommodate the Exchange’s policies governing stock option plans. The details of the Plan are set forth under the section entitled “*Executive Compensation - Stock Option Plans and Other Incentive Plans*”.

### ***The Stock Option Plan Resolution***

At the Meeting, Shareholders will be asked to pass the following ordinary resolution to re-approve Plan (the “**Stock Option Plan Resolution**”), substantially in the following form:

“**BE IT RESOLVED THAT** the Company’s Plan be and is hereby ratified, confirmed and approved with such additional provisions and amendments, provided that such are not inconsistent with the Policies of the Exchange, as the directors of the Company may deem necessary or advisable.”

**Management recommends that Shareholders approve the Stock Option Plan Resolution.** If the Equity Incentive Plan Resolution is approved by Shareholders, the Board of Directors will have the authority, in their sole discretion, to implement or revoke the Stock Option Plan Resolution and otherwise implement or abandon the Plan.

**In the absence of instructions to the contrary, the Proxyholders intend to vote the Common Shares represented by each Proxy, properly executed, FOR the Stock Option Plan Resolution.**

## **OTHER MATTERS**

As of the date of this Circular, Management knows of no other matters to be acted upon at the Meeting. However, should any other matters properly come before the Meeting, the shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the shares represented by the proxy.

## **AUDIT COMMITTEE DISCLOSURE**

The charter of the Company's audit committee and other information required to be disclosed by Form 52-110F2 is attached to the Information Circular as Schedule “A”.

## **CORPORATE GOVERNANCE DISCLOSURE**

The information required to be disclosed by Form 58-101F2 is attached to this Circular as Schedule “B”.

## **ADDITIONAL INFORMATION**

Additional information relating to the Company is available on SEDAR at [www.sedar.com](http://www.sedar.com). Copies of the Company’s Financial Statements and Management Discussion and Analysis may be obtained without charge upon request from the Company at #3500 - 1055 Dunsmuir Street, Vancouver, British Columbia V7X 1L3. Financial information is provided in the Company’s comparative annual financial statements and MD&A for its most recently completed financial year.

**DATED** this 13<sup>th</sup> day of October, 2022

**SPEY RESOURCES CORP.**

*/signed/ “Nader Vatanchi”*

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**Nader Vatanchi**  
**Director**

**SCHEDULE “A”**  
**FORM 52-110F2**  
**AUDIT COMMITTEE DISCLOSURE**  
**(VENTURE ISSUERS)**

**General**

Under National Instrument 52-110 – Audit Committees (“**NI 52-110**”) of the Canadian Securities Administrators, a reporting issuer is required to provide disclosure annually with respect to its audit committee, including the text of its audit committee charter, information regarding the composition of the audit committee, and information regarding fees paid to its external auditor. The Company provides the following disclosure with respect to the Audit Committee.

**Item 1: Audit Committee Charter**

The full text of the Audit Committee charter (the “**Audit Committee Charter**”) is attached hereto as Appendix “A”.

**Item 2: Composition of Audit Committee**

The Company’s Audit Committee is currently comprised of three directors, consisting Nader Vatanchi, Lawrence Hay and Ian Graham. As defined in NI 52-110, each of Messrs. Vatanchi, Hay and Graham are “independent” as defined in NI 52-110.

All of the Audit Committee members are “financially literate”, as defined in NI 52-110, as all have the industry experience necessary to understand and analyze financial statements of the Company, as well as an understanding of internal controls and procedures necessary for financial reporting.

The Audit Committee is responsible for review of both interim and annual financial statements for the Company. For the purposes of performing their duties, the members of the Audit Committee have the right at all times, to inspect all the books and financial records of the Company and any subsidiaries, and to discuss with management and the external auditors of the Company any accounts, records and matters relating to the financial statements of the Company. The Audit Committee members meet periodically with management and annually with the external auditors.

**Item 3: Relevant Education and Experience**

All of the members of the Audit Committee are able to understand and interpret information related to financial statement analysis. Each of the members of the Audit Committee has a general understanding of the accounting principles used by the Company to prepare its financial statements and will seek clarification from the Company’s auditors, where required. Each of the members of the Audit Committee also has direct experience in understanding accounting principles for private and reporting companies. The relevant experience of the current members of the Audit Committee is as follows:

***Nader Vatanchi***

Mr. Vatanchi has over 9 years of experience in finance, having previously worked at Edward Jones and IG Wealth Management in 2012. Mr. Vatanchi graduated with a Bachelor of Arts in Criminology from Simon Fraser University. Currently he serves as CEO of Musk Metals Corp. (CSE: MUSK) and CEO of Forty Pillars Corp. (CSE: PLLR), where he also currently sits on the audit committee.

***Lawrence Hay***

Mr. Hay has extensive experience providing corporate development services and consultation to both private and public sector clients, particularly those within the lithium industry. Mr. Hay studied at Vancouver Community College, obtaining his Red Seal certification in 2012, while apprenticing and developed a significant interest in the lithium market due to the growing demand in electric vehicles. He is currently an audit committee member for Billy Goat Brands Ltd. (CSE: GOAT) and Oberon Uranium Corp., a reporting issuer.

### ***Ian Graham***

Mr. Graham has over 20 years of mining sector experience, focused predominantly on the exploration and mineral deposit evaluation domain. Mr. Graham filled officer and audit oversight roles at Kennecott Canada Inc. and certain associated companies on behalf of Rio Tinto Exploration, and subsequently has served as an officer or independent director with audit committee responsibilities at junior public companies. He is presently on the audit committee for Fidelity Minerals Corp. (TSXV: FMN) and Commerce Resources Corp. (TSXV: CCE).

#### **Item 4: Audit Committee Oversight**

Since the commencement of the Company's most recently completed financial year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

#### **Item 5: Reliance on Certain Exemptions**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in Sections 2.4, 6.1.1(4), 6.1.1(5), 6.1.1(6) or Part 8 of NI 52-110.

#### **Item 6: Pre-Approval Policies and Procedures**

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services as set out in the Audit Committee Charter.

#### **Item 7: External Auditor Service Fees**

The aggregate fees billed by the Company's external auditors, Manning Elliott LLP, in each of the last two fiscal years for audit fees are as follows:

<b>Financial Year Ended</b>	<b>Audit Fees<sup>(1)</sup></b>	<b>Audit Related Fees<sup>(2)</sup></b>	<b>Tax Fees<sup>(3)</sup></b>	<b>All Other Fees<sup>(4)</sup></b>
November 30, 2021	\$47,500	\$29,500	Nil	\$47,000
November 30, 2020	\$16,000	Nil	Nil	Nil

Notes:

- (1) "Audit fees" include aggregate fees billed by the Company's external auditor in each of the last two fiscal years for audit fees.
- (2) "Audited Related Fees" include the aggregate fees billed in each of the last two fiscal years for assurance and related services by the Company's external auditor that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under "Audit Fees" above.
- (3) "Tax Fees" include the aggregate fees billed in each of the last two fiscal years for professional services rendered by the Company's external auditor for tax compliance, tax advice and tax planning.
- (4) "All Other Fees" include the aggregate fees billed in each of the last two fiscal years for products and services provided by the Company's external auditor, other than "Audit fees", "Audit related fees" and "Tax fees" above.

#### **Item 8: Exemption**

The Company is relying on the exemption provided by Section 6.1 of NI 52-110, which provides that the Company, as a venture issuer, is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of NI 52-110.

## APPENDIX “A”

### AUDIT COMMITTEE CHARTER

#### PURPOSE

The overall purpose of the Audit Committee (the “**Committee**”) of Spey Resources Corp. (the “**Company**”) is to ensure that the Company’s management has designed and implemented an effective system of internal financial controls to review and report on the integrity of the financial statements and related financial disclosure of the Company and to review the Company’s compliance with regulatory and statutory requirements as they relate to financial statements, taxation matters and disclosure of financial information. It is the intention of the Board that through the involvement of the Committee, the external audit will be conducted independently of the Company’s Management to ensure that the independent auditors serve the interests of Shareholders rather than the interests of Management of the Company. The Committee will act as a liaison to provide better communication between the Board and the external auditors. The Committee will monitor the independence and performance of the Company’s independent auditors.

#### COMPOSITION, PROCEDURES AND ORGANIZATION

1. The Committee shall consist of at least three members of the Board of Directors (the “**Board**”).
2. At least two (2) members of the Committee shall be independent and the Committee shall endeavour to appoint a majority of independent directors to the Committee who, in the opinion of the Board, would be free from a relationship which would interfere with the exercise of the Committee members’ independent judgment. At least one (1) member of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices applicable to the Company. For the purposes of this Charter, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements.
3. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may, at any time, remove or replace any member of the Committee and may fill any vacancy in the Committee.
4. Unless the Board shall have appointed a chair of the Committee, the members of the Committee shall elect a chair and a secretary from among their number.
5. The quorum for meetings shall be a majority of the members of the Committee, present in person, by telephone or other telecommunication device that permits all persons participating in the meeting to speak and to hear each other.

6. The Committee shall have access to such officers and employees of the Company, to the Company's external auditors and to such information respecting the Company, as it considers to be necessary or advisable in order to perform its duties and responsibilities.
7. Meetings of the Committee shall be conducted as follows:
  - (a) the Committee shall meet at least four times annually at such times and at such locations as may be requested by the chair of the Committee. The external auditors or any member of the Committee may request a meeting of the Committee;
  - (b) the external auditors shall receive notice of and have the right to attend all meetings of the Committee; and
  - (c) management representatives may be invited to attend all meetings except private sessions with the external auditors.
8. The internal auditors and the external auditors shall have a direct line of communication to the Committee through its chair and may bypass management if deemed necessary. The Committee, through its chair, may contact directly any employee in the Company as it deems necessary and any employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions.

#### **ROLES AND RESPONSIBILITIES**

9. The overall duties and responsibilities of the Committee shall be as follows:
  - (a) to assist the Board in the discharge of its responsibilities relating to the Company's accounting principles, reporting practices and internal controls and its approval of the Company's annual and quarterly financial statements and related financial disclosure;
  - (b) to establish and maintain a direct line of communication with the Company's internal and external auditors and assess their performance;
  - (c) to ensure that the management of the Company has designed, implemented and is maintaining an effective system of internal financial controls; and
  - (d) to report regularly to the Board on the fulfillment of its duties and responsibilities.
10. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
  - (a) to recommend to the Board a firm of external auditors to be engaged by the Company, and to verify the independence of such external auditors;
  - (b) to review and approve the fee, scope and timing of the audit and other related services rendered by the external auditors;
  - (c) to review the audit plan of the external auditors prior to the commencement of the audit;
  - (d) to review and/ or discuss with the external auditors, upon completion of their audit:

- (i) the non-audit services provided by the external auditors;
  - (ii) the quality and not just the acceptability of the Company's accounting principles; and
  - (iii) the implementation of structures and procedures to ensure that the Committee meets the external auditors on a regular basis in the absence of management.
11. The duties and responsibilities of the Committee as they relate to the internal control procedures of the Company are to:
- (a) review the appropriateness and effectiveness of the Company's policies and business practices which impact on the financial integrity of the Company, including those relating to internal auditing, insurance, accounting, information services and systems and financial controls, management reporting and risk management;
  - (b) review compliance under the Company's business conduct and ethics policies and to periodically review these policies and recommend to the Board changes which the Committee may deem appropriate;
  - (c) review any unresolved issues between management and the external auditors that could affect the financial reporting or internal controls of the Company; and
  - (d) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the internal audit staff or by the external auditors have been implemented.
12. The Committee is also charged with the responsibility to:
- (a) review the Company's quarterly statements of earnings, including the impact of unusual items and changes in accounting principles and estimates and report to the Board with respect thereto;
  - (b) review and approve the financial sections of:
    - (i) the annual report to Shareholders;
    - (ii) the annual information form, if required;
    - (iii) annual and interim MD&A;
    - (iv) prospectuses;
    - (v) news releases discussing financial results of the Company; and
    - (vi) other public reports of a financial nature requiring approval by the Board,
    - (vii) and report to the Board with respect thereto;
  - (c) review regulatory filings and decisions as they relate to the Company's financial statements;

- (d) review the appropriateness of the policies and procedures used in the preparation of the Company's financial statements and other required disclosure documents and consider recommendations for any material change to such policies;
- (e) review and report on the integrity of the Company's financial statements;
- (f) review the minutes of any audit committee meeting of subsidiary companies;
- (g) review with management, the external auditors and, if necessary, with legal counsel, any litigation, claim or other contingency, including tax assessments that could have a material effect upon the financial position or operating results of the Company and the manner in which such matters have been disclosed in the financial statements;
- (h) review the Company's compliance with regulatory and statutory requirements as they relate to financial statements, tax matters and disclosure of financial information; and
- (i) develop a calendar of activities to be undertaken by the Committee for each ensuing year and to submit the calendar in the appropriate format to the Board of Directors following each annual general meeting of shareholders.

13. The Committee shall have the authority:

- (a) to engage independent counsel and other advisors as it determines necessary to carry out its duties,
- (b) to set and pay the compensation for any advisors employed by the Committee; and
- (c) to communicate directly with the internal and external auditors.



**SCHEDULE “B”**

**FORM 58-101F2  
CORPORATE GOVERNANCE DISCLOSURE  
(VENTURE ISSUERS)**

**General**

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) of the Canadian Securities Administrators, prescribes certain disclosure by the Company of its corporate governance practices. Corporate governance refers to the policies and structure of the board of directors of a company, whose members are elected by and are accountable to the shareholders of the company. Corporate governance encourages establishing a reasonable degree of independence of the board of directors from executive management and the adoption of policies to ensure the board of directors recognize the principles of good management. The board of directors of the Company (the “**Board**”) is committed to sound corporate governance practices, as such practices are both in the interests of shareholders and help to contribute to effective and efficient decision-making.

**Item 1: Board of Directors**

The Board facilitates its exercise of independent supervision over the Company’s management through frequent meetings of the Board.

<b>Director</b>	<b>Independence</b>
Nader Vatanchi	Independent
Lawrence Hay	Independent
Ian Graham	Independent

**Item 2: Directorships**

Certain directors of the Company are currently also directors of other reporting issuers, as described in the table below:

<b>Director</b>	<b>Names of Other Reporting Issuers</b>	<b>Exchange</b>
Nader Vatanchi	Forty Pillars Mining Corp. Musk Metals Corp.	CSE: PLLR CSE: MUSK
Lawrence Hay	Billy Goat Brands Ltd. Oberon Uranium Corp.	CSE: GOAT Not Public
Ian Graham	Green Battery Minerals Inc. Commerce Resources Corp. Fidelity Minerals Corp. Oroco Resource Corp. Pantera Silver Corp.	TSXV: GEM TSXV: CCE TSXV: FMN TSXV: OCO TSXV: PNTR

**Item 3: Orientation and Continuing Education**

While the Company does not have formal orientation and training programs, new Board members are provided with:

1. information respecting the functioning of the Board, committees and copies of the Company's corporate governance policies;
2. access to recent, publicly filed documents of the Company;
3. access to management and technical experts and consultants; and
4. access to legal counsel in the event of any questions relating to the Company's compliance and other obligations.

Board members are encouraged to communicate with management, auditors and technical consultants; to keep themselves current with industry trends and developments and changes in legislation with management's assistance; and to attend related industry seminars and visit the Company's operations. Board members have full access to the Company's records.

#### **Item 4: Ethical Business Conduct**

The Board views good corporate governance as an integral component to the success of the Company and to meet responsibilities to shareholders. However, the Board has not adopted a Code of Conduct.

The Board, through its meetings with management and other informal discussions with management, encourages a culture of ethical business conduct and believes the Company's high caliber management team promotes a culture of ethical business conduct throughout the Company's operations and is expected to monitor the activities of the Company's employees, consultants and agents in that regard.

It is a requirement of applicable corporate law that directors and senior officers who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and, in the case of directors, abstain from discussions and voting in respect to same if the interest is material. These requirements are also contained in the Company's Articles, which are made available to directors and senior officers of the Company.

#### **Item 5: Nomination of Directors**

The Board has responsibility for identifying potential Board candidates. The Board assesses potential Board candidates to fill perceived needs on the Board for required skills, expertise, independence and other factors. Members of the Board and representatives of the industry are consulted for possible candidates.

#### **Item 6: Compensation**

The Board has the responsibility for determining compensation for the directors and senior management.

To determine compensation payable, the Board, in consultation with the independent directors, review(s) compensation paid for directors and CEOs of companies of similar size and stage of development and determines an appropriate compensation reflecting the need to provide incentive and compensation for the time and effort expended by the directors and senior management while taking into account the financial and other resources of the Company. In setting the compensation, the Board, in consultation with the independent directors, annually review(s) the performance of the CEO in light of the Company's objectives and consider(s) other factors that may have impacted the success of the Company in achieving its objectives.

#### **Item 7: Board Committees**

The Company has no committees other than the Audit Committee.

#### **Item 8: Assessments**

The Board does not consider that formal assessments would be useful at this stage of the Company's development. The Board conducts informal annual assessments of the Board's effectiveness, the individual directors and each of its committees. The Board monitors the adequacy of information given to directors, communication between the Board and management and the strategic direction and processes of the Board and committees to satisfy itself that the Board, its committees and its directors are performing effectively.



