SPEY RESOURCES CORP.

Consolidated Financial Statements

For the year ended November 30, 2022 and
the period from incorporation on March 11, 2021 to November 30, 2021

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Spey Resources Corp.

Opinion

We have audited the consolidated financial statements of Spey Resources Corp. and its subsidiaries (the "Company") which comprise the consolidated statements of financial position as at November 30, 2022 and 2021, the consolidated statements of loss and comprehensive loss, cash flows and changes in shareholders' equity for the year ended November 30, 2022 and 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 (together, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company as at November 30, 2022 and 2021, and its financial performance and its cash flows for the year ended November 30, 2022 and the period from incorporation on March 11, 2021 to November 30, 2021 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audits 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 audits 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.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying 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 Company's Management's Discussion and Analysis to be filed with the relevant Canadian securities commissions.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of these 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 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 Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole 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 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 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 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 auditor's 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 Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the 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, 2023

SPEY RESOURCES CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	November 30, 2022	November 30, 2021
		$	$
ASSETS			
Current assets			
Cash		1,128,622	1,133,297
Amounts receivable		172,725	64,424
Marketable securities	5	214,263	-
Prepaid expenses		670,631	25,612
		2,186,041	1,223,333
Exploration and evaluation assets	4	6,401,969	2,767,616
		8,588,010	**3,990,949**
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	7	909,688	223,583
Loans payable	9	22,420	-
		932,108	223,583
SHAREHOLDERS' EQUITY			
Share capital	6	20,427,648	12,906,074
Subscriptions receivable	6	-	(25,000)
Contributed surplus		2,371,214	1,554,106
Deficit		(15,300,194)	(10,667,814)
Accumulated other comprehensive income		157,234	-
		7,655,902	3,767,366
		8,588,010	**3,990,949**

Nature and continuance of operations (Note 1)
Subsequent event (Note 12)

Approved on behalf of the Board of Directors on March 30, 2023:

/s/ Nader Vatanchi
Nader Vatanchi
Director

/s/ Ian Graham
Ian Graham
Director

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

SPEY RESOURCES CORP.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	Period ended November 30, 2022	2021
		$	$
Expenses			
Advertising and marketing		456,664	1,040,586
Management and consulting fees	7	1,438,479	1,182,764
Office and other		210,595	138,358
Professional fees		636,649	191,710
Transfer agent and filing fees		93,742	22,210
Share-based compensation	6	973,392	-
Loss before other items		(3,809,521)	(2,575,627)
Other Items			
Foreign exchange loss		(61,106)	-
Loss on debt settlement	6	(256,186)	-
Unrealized loss on marketable securities	5	(123,117)	-
Realized loss on marketable securities	5	(131,879)	-
Write-off of exploration and evaluation assets	4	(250,571)	-
Listing expense	3	-	(8,092,187)
		(822,859)	(8,092,187)
Net loss for the period		**(4,632,380)**	**(10,667,814)**
Items that may be reclassified to net loss:			
Foreign currency translation adjustment		157,234	-
Comprehensive loss for the period		**(4,475,146)**	**(10,667,814)**
Basic and diluted loss per common share		(0.06)	(0.22)
Weighted average number of common shares outstanding		76,482,728	48,077,440

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

SPEY RESOURCES CORP.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Period ended November 30,	
	2022	**2021**
	$	**$**
Cash flows used in operating activities		
Loss for the period	(4,632,380)	(10,667,814)
Items not affecting cash:		
Listing expense	-	8,092,187
Accrued interest	12,000	-
Share-based compensation	973,392	-
Write-off of exploration and evaluation assets	250,571	-
Realized loss on marketable securities	131,879	-
Unrealized loss on marketable securities	123,117	
Loss on debt settlement	256,386	-
Changes in non-cash working capital:		
Amounts receivable	(108,101)	(64,424)
Prepaid expense	(645,019)	(25,612)
Accounts payable and accrued liabilities	818,655	147,042
	(2,819,500)	(2,518,621)
Cash flows used in investing activities		
Cash acquired upon reverse acquisition transaction	-	835,483
Exploration and evaluation assets	(2,359,110)	(1,189,757)
Sale of Pocitos I	344,900	-
Purchase of marketable securities	(27,485)	-
Sale of marketable securities	161,634	-
	(1,880,061)	(354,274)
Cash flows provided by financing activities		
Shares issued for cash	3,874,762	3,494,390
Share issuance costs	(130,530)	(200,198)
Exercise of warrants	550,000	632,500
Exercise of options	-	79,500
Subscriptions received	25,000	-
Loan received	326,920	-
Loan repaid	(108,500)	-
	4,537,652	4,006,192
Effect of foreign exchange on cash	157,234	-
Change in cash during the period	(4,675)	1,133,297
Cash, beginning of period	1,133,297	-
Cash, end of the period	**1,128,622**	**1,133,297**

Supplemental cash flow information (Note 11)

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

SPEY RESOURCES CORP.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Share Capital	Share Capital	Subscriptions receivable	Contributed surplus	AOCI	Deficit	Total
	#	$	$	$	$	$	$
Balance on incorporation, March 11, 2021	**-**	**-**	**-**	**-**	**-**	**-**	**-**
					-		
Shares issued for cash prior to reverse acquisition transaction	23,500,000	882,640	-	-	-	-	882,640
Recognition of shares, stock options and warrants deemed issued to Spey shareholders (Note 3)	28,984,500	7,246,125	-	2,016,863	-	-	9,262,988
Shares issued for cash	10,447,000	2,611,750	(25,000)	-	-	-	2,586,750
Share issuance costs	-	(306,429)	-	131,231	-	-	(175,198)
Shares issued for property acquisition	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
Loss for the period	-	-	-	-	-	(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**
Shares issued for cash	22,141,496	3,874,762	-	-	-	-	3,874,762
Share issuance costs	-	(211,790)	-	81,260	-	-	(130,530)
Shares issued for settlement of liabilities	2,158,696	518,087	-	115,871	-	-	633,958
Shares issued for property acquisition	10,290,000	2,437,100	-	-	-	-	2,437,100
Exercise of warrants	2,500,000	903,415	-	(353,415)	-	-	550,000
Subscriptions received	-	-	25,000	-	-	-	25,000
Share-based compensation	-	-	-	973,392	-	-	973,392
Net and comprehensive loss for the year	-	-	-	-	157,234	(4,632,380)	(4,475,146)
Balance, November 30, 2022	**106,721,692**	**20,427,648**	**-**	**2,371,214**	**157,234**	**(15,300,194)**	**7,655,902**

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

1. NATURE AND CONTINUANCE 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 Suite 1100-1199 West Hastings Street, Vancouver, BC V6E 3T5 Canada. The Company is listed for trading on the Canadian Securities Exchange ("CSE") under the symbol "SPEY".

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 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.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2022, 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 $15,300,194 as at November 30, 2022, 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 these 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. To date the Company's operations have been mostly unaffected.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies used in the preparation of these consolidated financial statements.

Statement of compliance
These consolidated financial statements are audited and have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of presentation
The consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for certain financial assets and liabilities that are measured at fair value. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Basis of consolidation
These consolidated financial statements include the accounts of the Company and its subsidiaries at the end of the reporting period as follows:

	Incorporation	Percentage owned	
		2022	2021
Tech One	Canada	100%	100%
Tay Resources Corp.	Canada	100%	100%
Lithium Energy Metal Corporation ("LEM")	Canada	100%	-
Spey Resources Argentina S.A.	Argentina	100%	-

All significant intercompany accounts and transactions between the Company and its subsidiaries have been eliminated upon consolidation.

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Cash and cash equivalents
Cash includes cash on hand and demand deposits. Cash equivalents include short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. The Company is not exposed to significant credit or interest rate risk although cash is held in excess of federally insured limits with a major financial institution. As at November 30, 2022 and 2021, the Company did not have any cash equivalents.

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)

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.

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.

Foreign currency translation
The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of Spey and its subsidiaries is the Canadian dollar (“CAD”) with the exception of Spey Argentina which has a functional currency of the Argentine Peso (“ARS”). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in foreign currencies are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities in foreign currencies are translated at historical rates. Revenues and expenses are translated at the average exchange rates approximating those in effect during the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Company's ARS operations are translated into CAD at the exchange rate at the reporting date. The income and expenses are translated using the average rate for the period. Foreign currency differences that arise on translation for consolidation purposes are recognized in other comprehensive loss.

Impairment of non-financial assets
The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If indicators exist, then the asset's recoverable amount is estimated. The recoverable amounts of the following types of intangible assets are measured annually whether or not there is any indication that it may be impaired:

(i) an intangible asset with an indefinite useful life; and
(ii) an intangible asset not yet available for use.

The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use ("VIU") and its fair value less costs to sell ("FVLCS"). In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The Company's assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the consolidated statement of loss and comprehensive loss.

In respect of assets other than intangible assets that have indefinite useful lives, impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed in a subsequent period when there has been an increase in the recoverable amount of a previously impaired asset or CGU. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial Instruments

<u>Classification</u>
The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income ("FVOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

<u>Measurement</u>
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial assets and liabilities carried at FVTPL are initially recorded at fair value, with transaction costs expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities carried at FVOCI are initially recorded at fair value plus or minus transaction costs, respectively. Unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVOCI are included in comprehensive income or loss in the period in which they arise.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. Regardless of whether credit risk has increased significantly, the loss allowance for trade receivables without a significant financing component classified at amortized cost, are measured using the lifetime expected credit loss approach. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

Impairment of financial assets
At each reporting date, the Company assesses whether there is objective evidence that a financial asset is impaired. If such evidence exists, an impairment loss is recognized in profit or loss.

Impairment losses on financial assets carried at amortized cost, including loans and receivables, are calculated as the difference between the amortized cost of the loan or receivable and the present value of the estimated future cash flows, discounted using the instrument's original effective interest rate. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

Share capital
Common shares issued by the Company are classified as equity. Costs directly attributable to the issue of common shares, share purchase warrants and share options are recognized as a deduction from equity, net of any tax effects.

Equity financing
The Company engages in equity financing transactions to obtain the funds necessary to continue operations. These equity financings transactions may involve issuance of common shares or units. Units typically comprise a certain number of common shares and share purchase warrants. Depending on the terms and conditions of each equity financing transaction, the warrants are exercisable into additional common shares at a price prior to expiry as stipulated by the terms of the transaction. The Company has adopted the residual value method with respect to the allocation of proceeds received on sale of units to the underlying common shares and share purchase warrants issued as private placement units.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The fair value of the common shares issued in private placements is determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached share purchase warrants.

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.

Share-based payments
The share option plan allows Company employees and consultants to acquire shares of the Company through exercising share options or restricted share units. The fair value of share options and restricted share units granted is recognized as a share-based compensation expense with a corresponding increase in the equity settled share-based payments reserve in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

For employees, the fair value is measured at grant date and each tranche is recognized on a straight-line basis over the period during which the share options vest. The fair value of the share options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the share options were granted. The fair value of restricted share units is determined based on the market price on the grant date.

At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest.

Equity-settled share-based payment transactions with non-employees are measured at the fair value of the goods or services received. However, if the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or the services.

Current and deferred income taxes
Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive loss or directly in equity. In this case income tax is also recognized in other comprehensive loss or directly in equity, respectively.

Current income tax
The current income tax charge is calculated on the basis of the tax laws enacted or substantially enacted at the statement of financial position date in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax
Deferred income tax is recognized, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates and laws that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Loss per share
Basic loss per share is computed by dividing income attributable to common shareholders by the weighted average number of common shares outstanding during the year. The computation of diluted loss per share assumes the conversion, exercise or contingent issuance of securities only when such conversion, exercise or issuance would have a dilutive effect on loss per share earnings. The Company computes the dilutive impact of common shares using the treasury stock method, which assumes the proceeds received from the pro forma exercise of in-the-money share options and warrants are used to purchase common shares at average prices.

Provisions
A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. All provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Related party 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. Parties are also considered to be related if they are subject to common control or common significant influence. 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. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount, which is determined on a cost recovery basis.

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.

Use of 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 consolidated financial statements and reported amounts of expense 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 consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods if the revision affects both current and future periods.

2. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

These estimates are based on historical experience, current and future economic conditions and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The following are critical judgments and estimations that management has made in the process of applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements:

Acquisition of LEM
Judgement was applied to determine if the acquisition of LEM represented a business combination or an asset purchase in accordance with IFRS 3, Business Combinations. The transaction was accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed would be assigned a carrying amount based on relative fair values. The Company's application of the recognition principle may also result in recognizing some assets and liabilities that the acquiree had not previously recognized as assets and liabilities in its financial statements, which require management judgement (Note 4).

Assessment of Impairment
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 involves judgments and assessments made by management.

Financial instruments
The determination of categories of financial assets and financial liabilities has been identified as an accounting policy which involves judgments or assessments made by management.

Income taxes
In assessing the probability of future taxable income in which deferred tax assets can be utilized, management makes estimates of future profits or losses adjusted for significant non-taxable income and expenses and specific limits to the use of any unused tax loss or credit. If a positive forecast of taxable income indicates the probable use of a deferred tax asset, especially when it can be utilized without a time limit, that deferred tax asset is usually recognized in full. The recognition of deferred tax assets that are subject to certain legal or economic limits or uncertainties is assessed individually by management based on the specific facts and circumstances.

Valuation of share-based compensation
The Company uses the Black-Scholes Option Pricing Model for valuation of share-based compensation and other equity-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

Going Concern
The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year. The factors considered by management are disclosed in Note 1.

(Expressed in Canadian Dollars)

3. 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:

- 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.

- 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.

- 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.

- 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.

The total share-based compensation for the 28,984,500 common shares, 2,214,000 stock options and 9,994,500 warrants was $9,262,988, 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 following:

	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	0.09%	0.09%
Dividends	N/A	Nil	Nil
Expected remaining lives	N/A	2.98 years	1.09 years

(Expressed in Canadian Dollars)

3. REVERSE ACQUISITION TRANSACTION (CONTINUED)

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**

4. EXPLORATION AND EVALUATION ASSETS

	SB Property	Kaslo Silver	Candela II	Pocitos I & II	LEM	Total
	$	$	$	$	$	$
Acquisition Cost						
March 11, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Acquired through the Transaction	49,571	294,140	-	-	-	343,711
Cash	20,000	30,000	252,000	252,000	-	554,000
Shares	166,000	30,712	-	1,000,000	-	1,196,712
At November 30, 2021	**235,571**	**354,852**	**252,000**	**1,252,000**	**-**	**2,094,423**
Cash	-	-	1,278,500	-	-	1,278,500
Shares	-	56,788	-	-	2,417,233	2,474,021
Write-off of asset	(235,571)	-	-	-	-	(235,571)
Option	-	-	-	(948,308)	-	(948,308)
At November 30, 2022	**-**	**411,640**	**1,530,500**	**303,692**	**2,417,233**	**4,663,065**
Exploration Costs						
March 11, 2021	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	48,062	605,525	19,606	-	673,193
At November 30, 2021	**-**	**48,062**	**605,525**	**19,606**	**-**	**673,193**
Additions	15,000	24,330	615,413	425,968	-	1,080,711
Write-off of asset	(15,000)	-	-	-	-	(15,000)
At November 30, 2022	**-**	**72,392**	**1,220,938**	**445,574**	**-**	**1,738,904**
At November 30, 2021	**235,571**	**402,914**	**857,525**	**1,271,606**	**-**	**2,767,616**
At November 30, 2022	**-**	**484,032**	**2,751,438**	**749,266**	**2,417,233**	**6,401,969**

4. EXPLORATION AND EVALUATION ASSETS (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”).

As part of the option the Company paid $26,000 in cash acquisition costs and issued 500,000 common shares valued at $209,571. During the year ended November 30, 2022, the Company decided to forfeit its option to acquire the SB Property and recorded a write-off of exploration and evaluation assets of $250,571.

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"), a silver and base metal property, located 12 kilometres west of Kaslo in southern British Columbia.

The option was amended on November 8, 2022, and is exercisable by the Company pursuant to the following:

1) Cash payments as follows
    a. $30,000 on or before August 31, 2021 (paid);
    b. $100,000 on or before August 31, 2023; and
    c. $110,000 on or before August 31, 2024.
2) Issuing an aggregate of 578,849 common shares as follows:
    a. 500,000 shares on or before November 30, 2022 (issued and fair valued at $87,500, $30,712 accrued at November 30, 2021); and
    b. 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 acquired an 80% interest in the Concession by completing the following:

- 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 (paid); and
- Incurring minimum exploration expenditures totaling US$500,000 on or before March 17, 2022 (incurred).

4. EXPLORATION AND EVALUATION ASSETS (CONTINUED)

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.

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 must exercise an option (the "Underlying Option") to acquire the Pocitos Property, and additional related claims, 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. On January 28, 2022, the Pocitos Agreement was amended to extend the payment due date from June 23, 2022 to June 30, 2023.

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 by June 30, 2023. 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.

On March 23, 2022, the Company entered into an assignment agreement with Recharge Resource Ltd. ("Recharge") to assign its rights to acquire the 80% undivided interest in, and commitments and obligations related to, the Pocitos I Property, for consideration as follows:

- Cash payment of US $350,000 within 3 day of March 23, 2022 (received – $442,400)
- Cash payment of US $500,000 by March 23, 2023 (received subsequent to November 30, 2022)
- Issuance of Recharge common shares worth US$400,000 (received – fair valued at $603,408)
- Issuance of Recharge common shares worth US$500,000 by March 23, 2023 (received subsequent to November 30, 2022).

The Company incurred a finder's fee of $97,500 on the option agreement. The gross proceeds of $1,045,808 received during the year ended November 30, 2022, less the finder's fee of $97,500, have been recorded against the acquisition cost of the property.

LEM Claims

On October 7, 2022, the Company issued 9,790,000 common shares to acquire a 100% interest in Lithium Energy Metals Corporation ("LEM"). LEM is a British Columbia incorporated company whose only asset is four lithium claims in the James Bay Region of Quebec that were recorded at their acquisition cost of $67,633. The shares issued were fair valued at $2,349,600 and the value was fully allocated to the LEM claims. As at November 30, 2022, the Company has 100% ownership of the four lithium claims. For accounting purposes, the transaction was treated as an asset acquisition.

(Expressed in Canadian Dollars)

5. MARKETABLE SECURITIES

On March 24, 2022, the Company received 1,005,680 common shares of Recharge Resources Ltd. as part of the assignment agreement of the Pocitos I Property (Note 4). The common shares were fair valued at $603,408 and recorded as marketable securities. The movements in marketable securities during the year ended November 30, 2022, is as follows:

	$
Balance, November 30, 2021	-
Additions on sale of Pocitos I	603,408
Additions, cost	27,485
Sales	(161,634)
Realized and unrealized loss	(254,996)
Balance, November 30, 2022	**214,263**

6. SHARE CAPITAL

Authorized Share Capital

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

Issued share capital

During the year ended November 30, 2022:

- On September 16, 2022, the Company closed a non-brokered private placement issuing 22,141,496 units (each a "Unit") at a price of $0.175 per Unit for gross proceeds of $3,874,762. Each Unit is comprised of one common share of the Company and one-half share purchase warrant where each whole warrant is exercisable at a price of $0.35 for two years. The value of the warrants was $nil using the residual method. The Company also incurred cash issue costs of $130,530. The Company also issued 760,690 finders' warrants on the same terms as the warrants contained in the Unit. The finders' warrants were fair valued at $81,260 using the Black-Scholes Option Pricing Model using the following assumptions: weighted average exercise price - $0.35; price on grant date $0.24; risk-free interest rate – 3.79%; dividend yield – 0%; expected volatility – 99%; and expected life – two years.
- On October 4, 2022, the Company issued 2,158,696 units to settle $168,250 of trade payables and $209,522 of loans payable. Each unit consisted of one common share of the Company and one-half share purchase warrant with each full warrant exercisable at $0.35 per warrant for two years. The Company fair valued the common shares at $518,087 and fair valued the warrants at $115,871 using the Black-Scholes Option Pricing Model using the following assumptions: weighted average exercise price - $0.35; price on grant date $0.24; risk-free interest rate – 3.74%; dividend yield – 0%; expected volatility – 100%; and expected life – two years. The Company recorded a loss on debt settlement of $256,186.
- On October 6, 2022, the Company issued 9,790,000 common shares fair valued at $2,349,600 to acquire the LEM claims as described in Note 4.
- On November 16, 2022, the Company issued 500,000 common shares, fair valued at $87,500, pursuant to the Kaslo property agreement (Note 4).

6. SHARE CAPITAL (CONTINUED)

During the period ended November 30, 2021:

- 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.
- 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.
- 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.
- 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.
- On April 26, 2021, the Company issued 28,984,500 common shares for acquiring the common shares of Tech One as described in Note 4.
- 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.
- The Company issued a total of 400,000 common shares with a fair value of $166,000 for the SB Property
- 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.
- The Company issued 3,025,000 common shares pursuant to the exercise of share purchase warrants for total proceeds of $632,500.
- The Company issued 775,000 common shares pursuant to the exercise of stock options for total proceeds of $79,500.

Share options

The Company has established a rolling share option plan (the "Plan"), in which the maximum number of common shares which can be reserved for issuance under the Plan is 10% of the issued and outstanding shares of the Company. The minimum exercise price of the options is set at the Company's closing share price on the day before the grant date, less allowable discounts in accordance with the policies of the CSE. The vesting provisions are determined by the Board of Directors and, unless otherwise stated, fully vest when granted.

On October 4, 2022, the Company granted 1,400,000 share options, vesting immediately, to various directors and consultants of the Company with a total fair value of $264,961. The options are exercisable at $0.24 per option, have a 5-year term and were fair valued using the Black-Scholes Option Pricing Model using the following assumptions: risk-free interest rate – 3.27%; dividend yield – 0%; expected volatility – 107%; and expected life – 5 years.

On November 21, 2022, the Company granted 550,000 share options, vesting immediately, to various directors and consultants of the Company with a total fair value of $76,490. The options are exercisable at $0.175 per option, have a 5-year term and were fair valued using the Black-Scholes Option Pricing Model using the following assumptions: risk-free interest rate – 3.32%; dividend yield – 0%; expected volatility – 109%; and expected life – five years.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Share option transactions are summarized as follows:

	Number of Share Options	Weighted Average Exercise Price
		$
Balance, March 11, 2021	**-**	-
Deemed granted on RTO	2,214,000	0.10
Granted	2,000,000	0.365
Exercised	(775,000)	0.10
Balance, November 30, 2021	**3,439,000**	0.26
Granted	1,950,000	0.22
Forfeited	(1,724,000)	0.26
Balance, November 30, 2022	**3,665,000**	0.24

A summary of the share options outstanding and exercisable at November 30, 2022 is as follows:

Number of Share Options Outstanding	Exercise Price	Expiry Date
	$	
140,000	0.10	December 21, 2022
250,000	0.105	January 10, 2024
200,000	0.105	April 15, 2024
150,000	0.10	November 5, 2024
975,000	0.365	June 4, 2026
1,400,000	0.24	October 4, 2027
550,000	0.175	November 21, 2027
3,665,000		

The weighted average life of share options outstanding at November 30, 2022 was 3.77 years.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (CONTINUED)

Warrants

Warrant transactions for the year ended November 30, 2022, are summarized as follows:

	Number of Share Options	Weighted Average Exercise Price
		$
Balance, March 11, 2021	**-**	-
Deemed issued upon RTO	9,994,500	0.21
Issued	11,065,250	0.37
Exercised	(3,025,000)	0.22
Balance, November 30, 2021	**18,034,750**	0.32
Issued	12,910,588	0.35
Exercised	(2,500,000)	0.22
Expired	(4,469,500)	0.19
Balance, November 30, 2022	**23,975,838**	**0.37**

A summary of the warrants outstanding at November 30, 2022 is as follows:

Number of Warrants Outstanding	Exercise Price	Expiry Date
	$	
11,065,250	0.40	May 31, 2023
346,250	0.25	May 31, 2023
11,831,239	0.35	September 16, 2024
1,079,349	0.35	October 4, 2024
23,975,838		

The weighted average life of warrants outstanding at November 30, 2022 was 1.20 years.

Restricted Share Units

On October 4, 2022, the Company granted 5,600,000 Restricted Share Units (“RSU”) to certain directors, officers and consultants of the Company, the RSU’s have a four-month vesting period at which time they are full exercisable into common shares of the Company. The RSU’s were fair valued at $1,344,000.

On November 21, 2022, the Company granted 700,000 RSUs to certain officers and consultants of the Company, the RSU’s have a four-month vesting period at which time they are full exercisable into common shares of the Company. The RSU’s were fair valued at $122,500.

During the year ended November 30, 2022, the Company recorded $631,941 in share-based compensation expense related to the RSU’s.

As at November 30, 2022, the Company has 6,300,000 RSUs outstanding, all of which are unvested.

(Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers including the chief executive officer ("CEO") and the chief financial officer ("CFO") and the members of the Board of Directors. Transactions with related parties are made in the normal course of business and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Accounts payable and accrued liabilities at November 30, 2022 include $41,665 (November 30, 2021 - $3,000) owing to directors, officers, or to companies significantly controlled by common directors for unpaid fees and expense reimbursements.

Summary of key management personnel compensation:

	Period ended November 30,	
	2022	**2021**
	$	**$**
Management and consulting fees[1]	279,140	131,000
Professional fees[2]	15,536	-
Share-based compensation	442,309	-
	736,985	**131,000**

[1]Includes fees paid or payable to the CEO, former CFO and former CEO for services rendered to the Company
[2]Includes fees paid or payable to a Company the CFO is a managing director of for services rendered to the Company

8. INCOME TAX

The Company is subject to Canadian federal and provincial tax at the rate of 27% and its subsidiary located in Argentina is subject to Argentinean federal tax at the rate of 25%. A reconciliation of income tax provision computed at Canadian statutory rates to the reported taxes is as follows:

	November 30, 2022	**November 30, 2021**
Canadian statutory income tax rates	27.0%	27.0%
	$	**$**
Income tax recovery at statutory rate	(1,250,743)	(2,880,000)
Effect of income taxes of:		
Permanent differences and other	326,848	2,051,000
Tax rate difference for foreign jurisdiction	(2,465)	-
Predecessor losses recognized pursuant to reverse acquisition transaction	-	(172,000)
Change in deferred tax assets not recognized	926,360	1,001,000
Deferred income tax recovery	-	-

(Expressed in Canadian Dollars)

8. INCOME TAX (CONTINUED)

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

	November 30, 2022	November 30, 2021
	$	$
Non-capital loss carry forwards	1,699,000	881,000
Exploration and evaluation assets	134,000	76,000
Marketable securities	17,000	-
Share issuance costs	61,000	46,000
Capital loss carry forwards	18,000	-
Deferred tax assets not recognized	(1,929,000)	(1,003,000)
	-	-

As at November 30, 2022, the Company has Canadian non-capital losses carried forward of approximately $6,242,000, and has Argentinean non-capital losses carried forward of approximately $50,000, which are available to offset future years' taxable income. The losses expire as follows:

	Canada	Argentina	Total
	$	$	$
2027	-	50,000	50,000
2037	27,000	-	27,000
2038	200,000	-	200,000
2039	183,000	-	183,000
2040	162,000	-	162,000
2041	2,692,000		2,692,000
2042	2,978,000	-	2,978,000
	6,242,000	50,000	6,292,000

The Company also has capital losses carried forward of approximately $131,000, and resource-related amounts available, subject to certain restrictions, of $4,480,100.

9. LOANS PAYABLE

	Third Party Loans
	$
Balance, November 30, 2021	-
Additions	326,920
Interest accrued	12,000
Repayment	(108,500)
Settled via issuance of equity	(208,000)
Balance, November 30, 2022	**22,420**

During the year ended November 30, 2022, the Company received $326,920 in loans payable, the loans are due on demand and accrue interest at 8% per annum. The Company made cash repayments of $108,500 and settled $208,000 in loans and $1,522 of accrued interest through the issuance of 1,197,269 common shares and 598,635 warrants (Note 6).

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Categories of financial assets and financial liabilities
Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); amortized costs; and fair value through other comprehensive income. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	November 30, 2022	November 30, 2021
		$	$
Cash	FVTPL	1,128,622	1,133,297
Marketable securities	FVTPL	214,263	-
Accounts payable	Amortized cost	(909,688)	(223,583)
Loans payable	Amortized cost	(22,420)	-

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market place.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The recorded amounts for cash, amounts receivable, accounts payable and accrued liabilities, loans payable, purchase obligation payable approximate their fair value due to their short-term nature. The Company's fair value of cash and other assets under the fair value hierarchy is measured using Level 1 inputs. The Company's lease liability is measured as the present value of the discounted future cash flows.

Risk exposure
The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) 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. As the Company commences exploration activities through Spey Argentina, the Company's exposure to exchange rate fluctuations may change and will be monitored by management.

As at November 30, 2022, 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.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

b) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and amounts receivable. Management believes that the credit risk concentration with respect to financial instruments included in cash and amounts receivable is remote.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances but there can be no assurance that such financing will be available on a timely basis under terms acceptable to the Company. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. As at November 30, 2022, the Company had a cash balance of $1,128,622 to settle current liabilities of $932,108.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant.

e) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates. The loans included in loans payable bear interest at 8% per annum. The Company does maintain bank accounts which earn interest at variable rates, but it does not believe it is currently subject to any significant interest rate risk.

Capital Management

The Company does not have any externally imposed regulatory capital requirements for managing capital. The Company has defined its capital to mean working capital and shareholders' equity, as determined at each reporting date.

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders. The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares, or engage in debt financing.

11. SUPPLEMENTAL CASH FLOW INFORMATION

During the year ended November 30, 2022, the Company entered into the following non-cash transactions:

- The Company issued 500,000 common shares pursuant to the Kaslo Property agreement
- The Company issued 9,790,000 common shares to acquire the LEM Claims
- The Company issued 2,158,696 common shares to settle outstanding trade payables and loans.
- The Company received 1,005,680 common shares from Recharge pursuant to the Pocitos I assignment agreement (Note 5).

12. SUBSEQUENT EVENT

Subsequent to November 30, 2022:

- The Company entered into an option agreement with Recharge Resources Corp. ("Recharge") pursuant to which Recharge may acquire a 100% interest in the Company's Pocitos II project. Under the terms of the agreement, Recharge may exercise its option by:
    - Paying US$744,800 on or before June 30, 2023; and
    - Issuing the Company $500,000 worth of common shares of Recharge within seven business days following the execution of the option agreement (received).
    - In the event the option is exercised, and the above criteria are fulfilled, Recharge will be obligated to pay the Company an additional $500,000 in cash or common shares within 18 months following the execution of the option agreement.