SPEY RESOURCES CORP.

MANAGEMENT DISCUSSION & ANALYSIS FOR THE

THREE MONTH PERIOD ENDED FEBRUARY 29, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following Management's Discussion and Analysis ("**MD&A**") of the operating results and financial position of the Company should be read in conjunction with the audited financial statements and related notes for the year ended November 30, 2019. The financial statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("IASB"). Except as otherwise disclosed, all dollar figures included therein and in the following MD&A are quoted in Canadian dollars. The effective date of this MD&A is **April 29, 2020.**

Business Overview

The Company was incorporated in the province of British Columbia on July 31, 2017. Its principal business comprises the exploration for and development of mineral properties. The Company is in the exploration stage.

On August 22, 2018, the Company completed its initial public offering and listed on the Canadian Securities Exchange ("CSE") under the symbol "SPEY".

The head office and principal address of the Company is located at 1315 Moody Avenue, North Vancouver, BC V7L 3T5.

Standfast Wigwam Property

Pursuant to an option agreement (the "SW Agreement") dated July 31, 2017, the Company was granted an option to acquire a 100% undivided interest in the Standfast Wigwam Property (the "SW Property") located in the Revelstoke Mining Division in British Columbia.

In accordance with the SW Agreement, the Company has the option to acquire a 100% undivided interest in the Property by issuing a total of 600,000 common shares of the Company to the Optionors, making cash payments totaling $155,000, and incurring a total of $500,000 in exploration expenditures as follows:

	Common Shares	Cash	Exploration Expenditures
	#	$	$
Upon execution of the Agreement (paid)	-	5,000	-
Upon listing of the Company's common shares on the Canadian Stock Exchange (the "Listing") (issued)	100,000	-	-
On or before the first anniversary of the Listing (issued)	100,000	-	-
On or before the second anniversary of the Listing	100,000	20,000	100,000
On or before the third anniversary of the Listing	100,000	30,000	100,000
On or before the fourth anniversary of the Listing	200,000	100,000	300,000
On or before the fifth anniversary of the Listing	-		-
Total	600,000	155,000	500,000

The Optionors will retain a 3% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $750,000 and the remaining 2% for $1,000,000 at any time prior to the commencement of commercial production.

As of February 29, 2020, the Company has paid $ 5,000 and issued 200,000 common shares with a fair value of $13,500 to the Optionor of the SW Property

Uravan Property

Pursuant to an option agreement (the "Uravan Agreement") dated January 11, 2019, the Company was granted an option to acquire a 100% interest in the Uravan Property (the "Uravan Property") located in the La Sal area, San Juan County, Utah, USA.

In accordance with the Uravan Agreement, the Company has the option to acquire a 100% interest in the Uravan Property by issuing a total of 3,500,000 common shares of the Company to the Optionors and making cash payments totaling US$310,000 as follows:

	Common Shares	Cash
	#	$
Within 5 days of the filing of the Option Agreement with the CSE (the "Filing Date") (issued and paid)	500,000	US 35,000
On or before that date that is 12 months from the Filing Date	500,000	US 50,000
On or before that date that is 24 months from the Filing Date	500,000	US 75,000
On or before that date that is 36 months from the Filing Date	1,000,000	US 150,000
On or before that date that is 48 months from the Filing Date	1,000,000	
Total	3,500,000	US 310,000

An additional payment of US 1,000,000 either in cash or common shares of the Company on or before the date of commencement of commercial production.

Upon Spey earning a 100% interest in the Property, Geoxplor shall be entitled to a 2.0% Net Smelter Return Royalty ("NSR") payable upon commercial production from the Property. Spey has the right to purchase three quarters of the NSR (leaving Geoxplor with a 0.5% NSR) by making payments totaling US$1,500,000 at anytime.

As of February 29, 2020, the Company has paid $ 46,618 (US$ 35,000) and issued 500,000 common shares with a fair value of $47,500 to the Optionor of the Uravan Property.

During the year ended November 30, 2019, the Company informed the Optionor that it would not be proceeding with its option on the Uravan Property and wrote off costs incurred on the Uravan Property from exploration and evaluation assets totalling $115,778.

Overall Performance and Results of Operations

The following table summarizes selected information from the Company's audited financial statements for the three month period ended February 29, 2020.

Selected Annual Information

	For the 3 month period ended February 29, 2020	For the 12 month period ended November 30, 2019 (audited)
Net revenues	Nil	Nil
Consulting Fees	-	-
Management Fees	($16,800)	($91,350)
Office	($2,324)	($35,338)
Professional Fees	($317)	($27,770)
Rent	($1,500)	($8,000)
Share based payments	-	($26,526)
Transfer and Filing Fees	($5,208)	($21,695)
Loss for the period before other items	($26,149)	($210,679)
Other Items	-	
Expense recovery	-	16,497
Impairment on exploration and evaluation assets	-	(115,778)
Net Loss and Comprehensive Loss	($26,149)	($309,960)
Deficit	($650,743)	($624,594)
Acquisition Costs/ Property Option Cash Payments	5,000	5,000
Acquisition Costs/ Property Option Payment in Shares	13,500[1]	13,500[1]
Exploration Costs	107,834	107,834
Total assets	$167,800	$134,308
Total long term liabilities	Nil	Nil
Dividends	Nil	Nil
Loss per share	($0.00)	($0.02)

1 200,000 shares valued at $0.05 per share and 100,000 shares valued at $0.035 per share

Overall Performance

- On July 31, 2017, a total of 2,000,000 Common Shares at $0.005 per Common Share for gross proceeds of $10,000 were subscribed for by the directors of the Company, allowing the Company to effectively commence operations.
- On July 31, 2017, the Company entered into the Option Agreement for the Standfast-Wigwam Project described above.
- The Company issued 4,100,000 flow-through Common Shares on August 18, 2017 at $0.02 per flow-through Common Share;
- 1,840,000 Common Shares were issued at $0.05 per Common Share on September 1, 2017;

- On August 22, 2018, the Company completed its initial public offering ("IPO") through issuance of 3,500,000 Common Shares at a price of $0.10 per Common Share. The Company's Common Shares commenced trading on the Canadian Securities Exchange under the symbol "SPEY" on August 24, 2018 (the "Listing");
- On August 22, 2018, the Company issued 100,000 common shares at a deemed price of $0.10 for the SW Property;
- On January 21, 2019, the Company issued 500,000 Common Shares at a deemed price of $0.10 for the Uravan Property;
- On April 10, 2019, the Company issued 1,350,000 common shares at a price of $.06 per common share pursuant to a private placement;
- On November 12, 2019, the Company issued 100,000 common shares at a deemed price of $0.10 for the SW Property; and
- On January 20, 2020, the Company issued 2,100,000 common shares at a price of $.03 per common share pursuant to a private placement.

The share issuances were used primarily to fund initial exploration activities as well as general corporate and administrative costs. Since incorporation, the Company incurred certain exploration activities on the Standfast Wigwam Project, spending $126,334 which was capitalized by the Company.

The components of expensed exploration costs are described above in the Standfast Wigwam Property and Uravan Property sections and in the accompanying audited financial statements of the Company.

Results of Operations

The Company incurred a loss of $40,149 during the three month period ended February 29, 2020 (February 28, 2019: $42,781) due to expense incurred by the Company as follows:

Expense	**Amount ($)**
Consulting Fees	-
Management Fees	16,800
Office	2,324
Professional Fees	317
Rent	1,500
Share-based payments	-
Transfer and Filing Fees	5,208

Summary of Quarterly Results

Selected information derived from the Company's unaudited interim financial statements for the past four quarters is as follows (in 000s except for Net loss per share):

	Three Months Ended February 29, 2020	**Three Months Ended November 30, 2019**	**Three Months Ended August 31, 2019**	**Three Months Ended May 31 2019**
Total Revenues	Nil	Nil	Nil	Nil
Net (loss) income and comprehensive (loss) income	(26)	(310)	(69)	(43)
Total assets	168	134	282	317
Working Capital Deficit	25	(12)	16	66
Long-term liabilities	Nil	Nil	Nil	Nil
Net loss per share – basic and diluted	(0.00)	(0.02)	(0.01)	(0.00)

Liquidity and Capital Resources

As described above, the Company raised $63,000 during the three month period ended February 28, 2020 by way of the Private Placement described above. The net working capital of the Company at February 29, 2020 amounted to ($25,310) (February 28, 2019: $66,312). The Company does not have any cash flow from operations due to the fact that it is an exploration stage company and therefore financings have been the sole source of funds.

The Company's current assets are not sufficient to support the company's general administrative and corporate operating requirements on an ongoing basis for the foreseeable future. Accordingly, further financing will be required and the Company will have to raise additional funds to continue its operations. Please see Overall Performance section with respect to the Company's financing plans.

Liquidity Outlook

The Company's cash position is highly dependent on its ability to raise cash through financings.

Based on the Company's financial position as at February 28, 2020, the Company will need to complete additional external financing either through equity, debt or other forms of financing. As other opportunities become available to the Company and subject to exploration work on the Company's project and results from such exploration program is determined, management may be required to complete additional financing.

This outlook is based on the Company's current financial position and is subject to change if opportunities become available based on exploration program results and/or external opportunities. At present, the Company's operations do not generate cash inflows and its financial success is dependent on management's ability to discover economically viable mineral deposits. The mineral exploration process can take many years and is subject to factors that are beyond the Company's control.

In order to finance the Company's future exploration programs and to cover administrative and overhead expenses, the Company will need to raise funds through equity sales, from the exercise of convertible securities, debt, deferral of payments to related parties, or other forms of raising capital. Many factors influence the Company's ability to raise funds, including the health of the resource market, the climate for mineral exploration investment, the Company's track record, and the experience and calibre of its management. Actual funding requirements may vary from those planned due to a number of factors, including the progress of exploration activities. Management believes it will be able to raise equity capital as required in the short and long term, but recognizes that there will be risks involved which may be beyond its control.

<u>Going Concern</u>

The Company's consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations, and realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred losses since inception, has no recurring source of revenue and, as at February 29, 2020, had an accumulated deficit of $650,743 (February 28, 2019: $357,414). These material uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company will need to raise sufficient funds as the Company's current assets are not sufficient to finance its operations and administrative expenses. The Company is evaluating financing options including, but not limited to, the issuance of additional equity and debt. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets.

The Company spent $0 during the three month period ended February 29, 2020, on exploration activities the SW Property and the Uravan Property (since inception: $107,834) which were capitalized. The funds spent on exploration activities were raised through share issuances as outlined above in Overall Performance.

The Company is required to make the scheduled payments of cash and shares detailed under the Standfast-Wigwam Property Section in order to keep the property option in good standing.

Contractual Obligations

The Company is subject to certain contractual obligations associated with the Standfast-Wigwam Option Agreement as discussed above. The Company has no other material and long-term contractual obligations.

Significant Accounting Policies and Estimates

The preparation of financial statements requires management to establish accounting policies, estimates and assumptions that affect the timing and reported amounts of assets, liabilities, revenues and expenses. These estimates are based on historical experience and on various other assumptions that management believes to be reasonable under the circumstances and require judgment on matters which are inherently uncertain. Details of the Company's significant accounting policies can be found in Note 2 of the audited financial statements for the period ended November 30, 2019.

New Accounting Standards

The Company is aware of certain new accounting standards which are reasonably expected to have an impact on disclosures, financial position or performance when applied at a future date. Details of these changes can be found in Note 4 of the audited financial statements for the twelve month period ended November 30, 2019.

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. 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.

During the three month period ended February 29, 2020, the Company incurred $16,800 (February 2: $10,500) in key management personnel cost from related parties and no other related party transactions have been completed.

Off Balance Sheet Arrangements

The Company has no off balance sheet arrangements.

Financial Instruments

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

Fair Value of Financial Instruments

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

Assets measured at fair value on a recurring basis were presented on the Company's statement of financial position as at November 30, 2018 and 2019 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
As at February 28, 2019:				
Cash	73,034	-	-	73,034
As at February 29, 2020:				
Cash	32,225	-	-	32,225

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at November 30, 2019 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency Risk

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

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

Interest Rate Risk

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

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

Credit Risk

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

Liquidity Risk

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

Common Shares

As at April 29, 2020, the Company's share capital was comprised of 15,590,000 Common Shares. 1,935,000 of these shares are held in escrow; and

400,000 shares remain issuable under the SW Option Agreement.

Stock Options

As at April 29, 2020, 1,164,000 stock options, all priced at $0.10, were issued and outstanding as follows:

- 650,000 options expiring December 21, 2022;
- 140,000 options expiring November 5, 2023;
- 224,000 options expiring January 10, 2024; and
- 150,000 options expiring April 15, 2024.

Share Purchase Warrants

As at April 29, 2020, 3,800,000 Share Purchase Warrants were outstanding as follows:

- 350,000 Share Purchase Warrants, priced at $0.10 are outstanding and expire on August 23, 2020;
- 1,350,000 Share Purchase Warrants, priced at $0.10 are outstanding and expire on April 10, 2020;

- 2,100,000 Share Purchase Warrants, priced at $0.05 are outstanding and expire on January 20, 2022.

Subsequent Events

There are no subsequent events.