FIREWEED METALS CORP.

(Expressed in Canadian Dollars)

Consolidated Financial Statements

For the years ended December 31, 2024 and 2023

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Fireweed Metals Corp.

Opinion

We have audited the accompanying consolidated financial statements of Fireweed Metals Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024 and 2023, and its financial performance and its cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company had an accumulated deficit of $115,150,772, current assets of $21,487,186 to settle current liabilities of $4,160,827, leaving the Company with a net working capital balance of $17,326,359. However, additional financing will be required to carry out additional exploration and development of its properties. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year ended. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 4 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $17,606,595 as of December 31, 2024. As more fully described in Note 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Asset.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Obtaining an understanding of the key controls associated with evaluating the E&E Assets for indicators of impairment.
- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Reviewing the Company's recent expenditure activity and expenditure budgets for future periods.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, 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 Consolidated Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year ended and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

March 18, 2025

FIREWEED METALS CORP.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
As at December 31, 2024 and 2023

	Note(s)	December 31, 2024 $	December 31, 2023 $
Assets			
Current assets:			
Cash and cash equivalents		19,818,768	19,224,378
Receivables		1,258,285	283,021
Prepaid expenses		410,133	358,078
		21,487,186	19,865,477
Non-current assets:			
Equipment and right of use assets	5	1,865,771	2,194,203
Reclamation bond		39,596	39,596
Exploration and evaluation assets	4	17,606,595	17,361,564
Total Assets		40,999,148	39,460,840
Liabilities			
Current liabilities:			
Accounts payable and accrued liabilities	6,13	2,709,785	2,229,756
Lease liability, short-term	7	161,596	442,621
Flow-through premium liability	9	1,289,446	-
Purchase obligation	4	-	3,182,204
Short-term loan payable	8	-	40,000
		4,160,827	5,894,581
Non-current liabilities:			
Flow-through premium liability	9	-	103,871
Lease liability, long-term	7	152,679	314,276
Rehabilitation provisions	10	844,232	589,088
Total Liabilities		5,157,738	6,901,816
Shareholders' equity:			
Capital stock	11	144,587,367	108,033,387
Options reserve	11	6,221,562	4,831,622
Warrants reserve	11	183,253	183,253
Deficit		(115,150,772)	(80,489,238)
Total Shareholders' equity		35,841,410	32,559,024
Total Liabilities and Shareholders' Equity		40,999,148	39,460,840

Nature of operations and going concern (Note 1)
Commitments (Note 17)
Subsequent event (Note 18)

On behalf of the Board:

"Ian Gibbs"
Director, President and CEO

"Peter Hemstead"
Director

FIREWEED METALS CORP.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
For the years ended December 31, 2024 and 2023

	Note(s)	December 31, 2024 $	December 31, 2023 $
Expenses			
Consulting and management	13	2,875,667	2,414,778
Depreciation	5	675,798	449,854
Exploration and evaluation	4	34,274,695	32,704,602
General & administrative	13	2,650,744	1,753,481
Investor relations and corporate development	13	1,316,376	1,261,872
Interest expense	7	67,008	73,324
Property investigation		-	452,302
Share-based compensation	11,13	2,406,174	2,292,262
		44,266,462	41,402,475
Other Expenses (Income)			
Accretion on rehabilitation provision	10	25,333	10,960
Amortization of flow-through liability	9	(8,928,392)	(6,856,038)
Part XII.6 Tax		193,307	-
Finance expense on purchase obligation	4	317,796	229,357
Foreign exchange		(16,039)	20,693
Interest income		(1,186,933)	(1,543,396)
Gain on debt settlement	8	(10,000)	-
Loss and comprehensive loss for the year		**34,661,534**	**33,264,051**
Loss per share – basic and diluted		0.21	0.24
Weighted average number of common shares outstanding – basic and diluted		164,900,255	138,554,039

(Expressed in Canadian Dollars)

	Note(s)	December 31, 2024 $	December 31, 2023 $
OPERATING ACTIVITIES			
Loss for the year		(34,661,534)	(33,264,051)
Adjustment for items not affecting cash:			
Amortization of flow-through liability	9	(8,928,392)	(6,856,038)
Accretion on rehabilitation provision	10	25,333	10,960
Depreciation	5	675,798	449,854
Finance expense on purchase obligation	4	317,796	229,357
Gain on debt settlement	8	(10,000)	-
Share-based compensation	11	2,406,174	2,292,262
Interest on lease obligations	7	67,008	72,708
Change in non-cash working capital items:			
Receivables		(975,264)	(142,943)
Prepaid expenses		(52,055)	(183,946)
Accounts payable and accrued liabilities	6	383,823	886,681
		(40,751,313)	**(36,505,156)**
INVESTING ACTIVITIES			
Acquisition of equipment	5	(251,160)	(1,416,245)
Purchase obligation repayment	11	(3,500,000)	-
Exploration and evaluation assets	4	(15,220)	(904)
		(3,766,380)	**(1,417,149)**
FINANCING ACTIVITIES			
Proceeds from share issuance	11	43,076,296	16,800,000
Share issue costs	11	(740,510)	(146,137)
Repayment of CEBA loan	8	(30,000)	-
Proceeds from warrants exercised	11	1,712,801	894,723
Proceeds from options exercised	11	1,603,126	94,340
Lease payments	7	(509,630)	(382,222)
		45,112,083	**17,260,704**
Increase (decrease) in cash		594,390	(20,661,601)
Cash and cash equivalents, beginning of the year		**19,224,378**	**39,885,979**
Cash and cash equivalents, end of the year		**19,818,768**	**19,224,378**
Cash		880,115	18,164,378
Cash equivalents		18,938,653	1,060,000
		19,818,768	**19,224,378**
Supplemental disclosures with respect to cash flows:			
Non-cash investing and financing activities:			
Share issuance costs allocated to flow-through premium	11	266,990	23,272
Change in rehabilitation provision	10	229,811	194,948
Fair value of exercised options	11	896,234	116,322
Fair value of exercised finders' warrants	11	-	188,904
Flow through premium liability	11	10,380,957	3,325,000
Fair value of finders warrants	11	-	21,012
Acquisition of equipment included in accounts payable		96,206	2,107
Right of use assets recognized		-	1,066,411

FIREWEED METALS CORP.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Note	Shares #	Capital Stock Amount $	Warrants reserve $	Options reserve $	Deficit $	Total $
Balance at December 31, 2022		**135,191,999**	**93,379,425**	**351,145**	**2,655,682**	**(47,225,187)**	**49,161,065**
Shares issued in private placement	11	8,750,000	16,800,000	-	-	-	16,800,000
Flow-through premium	11	-	(3,325,000)	-	-	-	(3,325,000)
Share issuance costs	11	-	(115,327)	21,012	-	-	(94,315)
Share-based compensation	11	-	-	-	2,292,262	-	2,292,262
Options exercised	11	199,522	210,662	-	(116,322)	-	94,340
Warrants exercised	11	1,304,279	1,083,627	(188,904)	-	-	894,723
Loss for the year		-	-	-	-	(33,264,051)	(33,264,051)
Balance at December 31, 2023		**145,445,800**	**108,033,387**	**183,253**	**4,831,622**	**(80,489,238)**	**32,559,024**
Share-based compensation	11	1,200,000	120,000	-	2,286,174	-	2,406,174
Shares issued in private placement	11	12,985,586	14,284,145	-	-	-	14,284,145
Flow-through shares issued in private placement	11	909,090	1,409,090	-	-	-	1,409,090
Flow-through charity shares issued in private placement	11	15,828,359	27,383,061	-	-	-	27,383,061
Flow-through premium	11	-	(10,380,957)	-	-	-	(10,380,957)
Share issuance costs	11	-	(473,520)	-	-	-	(473,520)
Options exercised	11	2,076,000	2,499,360	-	(896,234)	-	1,603,126
Warrants exercised	11	2,854,669	1,712,801	-	-	-	1,712,801
Loss for the year		-	-	-	-	(34,661,534)	(34,661,534)
Balance at December 31, 2024		**181,299,504**	**144,587,367**	**183,253**	**6,221,562**	**(115,150,772)**	**35,841,410**

1. Nature of Operations and Going Concern

Fireweed Metals Corp. (the "Company" or "Fireweed") was incorporated under the Business Corporations Act of the Yukon in Canada on October 20, 2015. The Company is a mineral exploration and development company and is engaged in the acquisition and exploration of mineral assets. At December 31, 2024, the Company had three projects in northern Canada, the Macmillan Pass Project (Yukon) ("Macpass"), the Mactung Project (Yukon/North West Territories) ("Mactung") and the Gayna Zinc Project (North West Territories) ("Gayna"). The Company is listed on the TSX Venture Exchange and on the OTCQX under the symbols "FWZ" and "FWEDF", respectively.

The Company's head office and principal address is Suite 2800 – 1055 Dunsmuir Street, Vancouver, British Columbia, Canada, V7X 1L2. The registered and records office is 3081 3rd Avenue, Whitehorse, Yukon, Canada Y1A 4Z7.

The Company's ability to continue operations is not assured and is dependent upon the ability to obtain necessary financing to meet its liabilities and commitments as they become due, and the ability to generate future profitable production or operations or obtain sufficient proceeds from the disposition thereof. The outcome of these matters cannot be predicted at this time. These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. As at December 31, 2024, the Company had an accumulated deficit of $115,150,772, current assets of $21,487,186 to settle current liabilities of $4,160,827, leaving the Company with a net working capital balance of $17,326,359. However, additional financing will be required to carry out additional exploration and development of its properties which may indicate the existence of material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These consolidated financial statements for the year ended December 31, 2024, have been prepared by management, reviewed by the Audit Committee and authorized for issue by the Board of Directors on March 18, 2025.

2. Basis of Preparation and Statement of Compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB") in effect at December 31, 2024.

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit or loss, which are stated at their fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, the consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The Company has reclassified certain comparative figures within the statements of loss and comprehensive loss have been reclassified to conform to the current period's presentation. Since the amounts are reclassifications within the statement of loss and comprehensive loss there was no impact on equity.

3. Material Accounting Policies

a) Principles of consolidation

These consolidated financial statements include the financial statements of Fireweed Metals Corp. and its wholly owned subsidiaries Fireweed Macpass Mining Ltd., Fireweed Mactung Mining Ltd., and Fireweed Gayna River Metals Ltd.

b) Cash and cash equivalents

Cash includes cash on hand and demand deposits. Cash equivalents include, highly liquid investments that are readily convertible to known amounts of cash with a fixed deposit term of three months or less and subject to an insignificant risk of change in value.

c) Financial instruments

The Company classifies its financial assets into one of the categories described below, depending on the purpose for which the asset was acquired. Management determines the classification of its financial assets at initial recognition.

Equity instruments that are held for trading are classified as fair value through profit or loss, 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 fair value through other comprehensive income.

Fair value through profit or loss ("FVTPL") – Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss in the period in which they arise.

Fair value through other comprehensive income ("FVTOCI") – Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently, they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income or loss. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

Financial assets at amortized cost – A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

The following table shows the classification of the Company's financial instruments:

Financial instrument	**Classification**
Cash and cash equivalents	Financial asset measured at amortized cost
Receivables	Financial asset measured at amortized cost
Reclamation bond	Financial asset measured at amortized cost
Loan payable	Financial liability measured at amortized cost
Purchase obligation	Financial liability measured at amortized cost
Accounts payable and accrued liabilities	Financial liability measured at amortized cost

Financial liabilities are recognized initially at fair value and are subsequently stated at amortized cost. Transaction costs on financial assets and liabilities other than those classified at FVTPL are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at FVTPL are expensed as incurred.

d) Exploration and evaluation assets

Before legal rights to explore a property have been acquired, costs are expensed as incurred. Costs related to the acquisition of exploration and evaluation assets are capitalized by property until the commencement of commercial production. If commercially profitable ore reserves are developed, capitalized costs of the related property are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition costs are not recoverable over the estimated economic life of the property, or the property is abandoned, or management deems there to be an impairment in value, the property is written down to its net realizable value. Costs related to the exploration and evaluation of mineral properties are recognized in profit or loss as incurred.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the mineral interest. If payments received exceed the capitalized cost of the mineral interest, the excess is recognized as income in the year received and allocated against exploration expenses. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain permits and the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

e) Rehabilitation provision

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as accretion of rehabilitation provision.

f) Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

The major categories of equipment are depreciated as follows: Computer Hardware – 45% declining balance, Exploration Equipment – 20% declining balance, Vehicles – 30% declining balance, Office Equipment, 20% declining balance.

g) Share-based compensation

The Company's stock option plan allows Company employees, directors, officers and consultants to acquire shares of the Company. The fair value of options granted is recognized as share-based compensation expense with a corresponding increase in options reserve. 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. Fair value is measured at grant date, and each tranche is recognized using the graded vesting method over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted.

At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest. In situations where equity instruments are issued to consultants and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based compensation is measured at the fair value of goods or services received.

h) Impairment of non-financial assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, 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. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

i) Leases

IFRS 16, *Leases*, provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Leases of right-of-use assets are recognized at the lease commencement date at the present value of the aggregate lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined, and otherwise at the Company's incremental borrowing rate. At the commencement date, a right-of-use asset is measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

Each lease payment is allocated between repayment of the lease principal and interest. Interest on the lease liability in each period during the lease term is allocated to produce a constant periodic rate of interest on the remaining balance of the lease liability. Except where the costs are included in the carrying amount of another asset, the Company recognizes in profit or loss (a) the interest on a lease liability and (b) variable lease payments not included in the measurement of a lease liability in the period in which the event or condition that triggers those payments occurs. The Company subsequently measures a right-of-use asset at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any remeasurement of the lease liability. Right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term, except where the lease contains a bargain purchase option a right-of-use asset is depreciated over the asset's useful life.

j) Loss per share

Basic loss per common share is calculated by dividing net loss available to common shareholders by the weighted-average number of shares outstanding during the year. The effect of dilutive stock options warrants and similar instruments on loss per share is recognized on the use of the proceeds that could be obtained upon these and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Diluted loss per share value excludes all dilutive potential common shares if their effect is anti-dilutive.

k) Critical accounting estimates, judgments, and assumptions

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 amount of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates that, 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 estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Information about significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are noted below with further details of the assumptions contained in the relevant note.

Critical accounting judgment

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company as discussed in Note 1.

The preparation of these consolidated financial statements requires making judgments that affect the amounts reported. The most significant accounting judgements that management has made relate to exploration and evaluation assets and potential indicators for impairment. Management makes judgements in reviewing exploration and evaluation assets for indicators of impairment. Management considers, among other things, whether or not (i) the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed; (ii) substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned; (iii) exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area; and (iv) whether sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale. In considering these factors, management did not identify any impairment indicators for the year-ended December 31, 2024.

Key sources of estimation uncertainty

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets do not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves.

Additionally, there are numerous geological, economic, environmental and regulatory factors and uncertainties that could impact management’s assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company’s exploration and evaluation assets.

Deferred tax assets and liabilities

The measurement of a deferred tax provision is subject to uncertainty associated with the timing of future events and changes in legislation, tax rates and interpretations by tax authorities. The estimation of taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company’s ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management’s assessment of the Company’s ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and future tax provisions or recoveries could be affected.

Share-based compensation

Share-based compensation expense is measured by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share-based compensation expense for the years ended December 31, 2024 and 2023 are disclosed in Note 11.

Rehabilitation provision

The calculation of the asset retirement obligation involves significant measurement estimates and assumptions of the amount and timing of reclamation costs and applicable inputs used in the calculation, such as inflation and discount rates. The Company bases its estimates on historical experience, government regulations and assumptions that are believed to be reasonable given the scope of the exploration project. Refer to Note 10 for more details.

l) Income taxes

Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they revert, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current income tax liabilities and assets, and they relate to income taxes levied by the same tax authority for the same taxable entity. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related income tax benefit will be realized.

m) Contingent consideration

Contingent consideration from an asset acquisition is recognized when: (i) the conditions associated with the contingency are met; (ii) the Company has a present legal or constructive obligation that can be estimated reliably; and (iii) and it is probable that an outflow of economic benefits will be required to settle the obligation.

n) Capital stock

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issuance of common shares and stock options are recognized as a deduction from equity. Common shares issued for consideration other than cash, are valued based on their market value at the date the shares are issued.

The Company uses the residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the date the shares are issued. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

The Company may from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company separates the flow-through common share into i) a flow-through common share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability and; ii) capital stock. When the resource property expenditures are incurred, the Company derecognizes the liability and recognized as amortization of flow-through liability.

o) New and amended accounting standards and interpretations

The amendment to International Accounting Standards ("IAS") 1, *Presentation of Financial Statements*, on classification of liabilities as current or non-current is effective January 1, 2024, and the Company does not expect the adoption of this amendment will have a significant impact on the consolidated financial statements. This amendment provides a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

p) New IFRS Accounting standards and interpretations not yet applied

IFRS 18 – Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements*. IFRS 18 will apply for reporting periods beginning on or after January 1, 2027 and also applies to comparative information. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it may change what an entity reports as its 'operating profit or loss'. Key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss; (ii) required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iii) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Company is currently assessing the effects of IFRS 18 on the financial statements.

IFRS 9 – Financial Instruments, and IFRS 7 – Financial Instruments: Disclosures

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7. These amendments updated classification and measurement requirements in IFRS 9 and related disclosure requirements in IFRS 7. The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system. It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the 'solely payments of principal and interest' criterion, including financial assets that have environmental, social and corporate governance ("ESG")-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income. The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. The Company is currently assessing the effect of these amendments on the financial statements.

The Company has not early adopted any new accounting standard, interpretation or amendment that has been issued but is not yet effective.

(Expressed in Canadian Dollars)

4. Exploration and Evaluation Assets and Expenses

Exploration & Evaluation Assets	**Macpass $**	**Gayna $**	**Mactung $**	**Total $**
Acquisition and maintenance costs:				
Balance, December 31, 2022	**12,655,113**	**57,752**	**-**	**12,712,865**
Change in rehabilitation provision	149,310	-	-	149,310
Initial recognition of rehabilitation provision	-	-	45,638	45,638
Cash payments	-	-	904	904
Transfer of deposit	-	-	1,500,000	1,500,000
Purchase obligation	-	-	2,952,847	2,952,847
Balance, December 31, 2023	**12,804,423**	**57,752**	**4,499,389**	**17,361,564**
Change in rehabilitation provision	229,811	-	-	229,811
Cash payments	1,162	-	14,058	15,220
Balance, December 31, 2024	**13,035,396**	**57,752**	**4,513,447**	**17,606,595**

Exploration & Evaluation Expenses	**Macpass $**	**Gayna $**	**Mactung $**	**Total $**
Assaying	1,025,558	-	108,416	1,133,974
Camp and field	12,556,967	1,350	210,705	12,769,022
Drilling	12,813,464	-	220,487	13,033,951
Engineering	254,856	-	381,429	636,285
Exploration & Geological Consulting	955,763	462,397	111,137	1,529,297
Other Expenditures	265,493	-	-	265,493
Permitting, Environment, Social	3,177,084	300	159,196	3,336,580
Year Ended December 31, 2023	**31,049,185**	**464,047**	**1,191,370**	**32,704,602**
Assaying	1,259,988	-	6,530	1,266,518
Camp and field	11,095,453	-	38,850	11,134,303
Drilling	10,666,855	-	-	10,666,855
Engineering	367,975	-	1,010,611	1,378,586
Exploration & Geological Consulting	5,109,349	360,711	20,005	5,490,065
Other Expenditures	279,648	-	19,216	298,864
Permitting, Environment, Social	3,243,336	88,744	707,424	4,039,504
Year Ended December 31, 2024	**32,022,604**	**449,455**	**1,802,636**	**34,274,695**

Macpass Project, Yukon, Canada

Summary of Property Acquisitions and Royalties

The Property comprises multiple claim blocks that were acquired and consolidated over several years by Fireweed into the current Macpass Project. Summaries of the underlying claim blocks/properties and royalties are described below.

Fireweed holds a 100% interest in various claims comprising the Tom and Jason property. The Jason claims have a third party underlying 3% net smelter return (“NSR”) royalty which can be bought out at any time for 1.5% for $1,250,000 and 1.5% for $4,000,000. There are no underlying royalties on the Tom claims.

Fireweed holds a 100% interest in various claims comprising the Nidd property. The claims are subject to a 1% NSR royalty and a right of first offer to purchase future production concentrates from the Nidd property.

Fireweed holds a 100% interest in various claims comprising the Mac property. These claims are subject to a production royalty of 0.25% NSR on base metals and other non-precious minerals, 1% NSR on silver and other precious metals excluding gold, and 3% NSR on gold produced.

Fireweed holds a 100% interest in the MC, MP and Jerry claims. These claims are subject to production royalties of 0.5% NSR on base metals and silver, and 2% NSR on all other metals including gold produced from the MC, MP and Jerry claims. The vendors are entitled to one additional payment of $750,000 or equivalent in Fireweed shares at the Company’s option, upon receiving a resource calculation of at least 2.0 million tonnes of indicated (or better) resource on any part of the MC, MP or Jerry claims. Fireweed maintains a right of first refusal on the sale of any NSR royalty from these claims.

Fireweed holds a 100% interest in the BR and NS claims. These claims are subject to production royalties of 0.5% NSR on base metals and silver, and 2% NSR on all other metals including gold produced from the BR and NS claims. The vendors are entitled to one additional payment of $750,000 or equivalent in Fireweed shares at the Company’s option, upon receiving a resource calculation of at least 2.0 million tonnes of indicated (or better) resource on any part of the BR or NS claims. Fireweed will have the right to purchase one-half of these NSR royalties for $2,000,000 at any time prior to the commencement of commercial production. Fireweed maintains a right of first refusal on the sale of any NSR royalty from these claims by Golden Ridge Resources Ltd. There is also a pre-existing third party 3% NSR royalty on any future cobalt production from the BR and NS claims.

Fireweed holds 100% interest in various claims comprising the Sol property. The claims are subject to a 0.5% NSR royalty on all base metals and silver and a 2% NSR royalty on all other metals including gold, which may be mined from the property. There is an additional private third-party royalty consisting of a 2% NSR on production from the Sol Property, of which 1% may be extinguished for $2,000,000.

On January 13, 2022, the Company exercised its option and acquired 100% interest in various claims comprising the Oro property.

The property is subject to a 0.5% NSR royalty on all base metals and silver and a 2% NSR royalty on all other metals including gold, which may be mined from the Oro property.

Mactung Project, Yukon/NWT, Canada

On June 7, 2022, Fireweed signed a binding Letter of Intent to purchase the Mactung Project. On May 3, 2023, the Company and the Government of the Northwest Territories (“GNWT”) finalized an assignment and assumption agreement (the "Agreement") for the purchase of the Mactung Project.

(Expressed in Canadian Dollars)

Summary of Mactung Acquisition Terms

Under the terms of the Agreement, GNWT will sell the Mactung Project to Fireweed for a total purchase price of $15,000,000 staged as follows:

1. $1,500,000 upon execution of the binding letter of intent (paid);
2. $3,500,000 within 18 months upon finalization of the definitive agreement (paid);
3. $5,000,000 upon Fireweed announcing its intention to construct a mine on either the Mactung Project or any portion of the mineral property interests controlled by Fireweed in the Yukon, commonly known as the Macpass Project (note yet due); and
4. $5,000,000 upon Fireweed announcing its intention to construct a mine on the Mactung Project (not yet due).

Contingent payments related to performance milestones were not included in the purchase price.

On the acquisition date, the Company discounted the $3,500,000 purchase obligation using a 12% annual discount rate to $2,952,847, and during the year ended December 31, 2023 and 2024, the Company recorded $229,357 and $317,796, respectively, to finance expense on purchase obligation and the balance of the purchase obligation was paid.

On May 23, 2023, ownership of the Mactung Project assets was transferred to the Company and is considered the acquisition date for accounting purposes. All expenses incurred on the Mactung Project up to May 23, 2023 have been recorded as property investigation costs.

Mactung carries an existing NSR royalty of 4% which is held by a third party, 2% of which can be purchased at any time for $2,500,000.

5. Equipment and Right of Use Assets

	Water Well	Exploration Equipment	Other Equipment	ROU Camp Equipment	ROU other	Total
Cost	$	$	$	$	$	$
As at December 31, 2022	-	132,696	145,476	-	-	278,172
Additions	404,204	987,007	27,141	294,243	772,168	2,484,763
As at December 31, 2023	404,204	1,119,703	172,617	294,243	772,168	2,762,935
Additions	-	331,380	15,986	-	-	347,366
As at December 31, 2024	**404,204**	**1,451,083**	**188,603**	**294,243**	**772,168**	**3,110,301**
Accumulated Depreciation						
As at December 31, 2022	-	(54,998)	(63,880)	-	-	(118,878)
Depreciation expense	-	(100,182)	(27,337)	(32,772)	(289,563)	(449,854)
As at December 31, 2023	-	(155,180)	(91,217)	(32,772)	(289,563)	(568,732)
Depreciation expense	(20,210)	(200,692)	(25,116)	(43,696)	(386,084)	(675,798)
As at December 31, 2024	**(20,210)**	**(355,872)**	**(116,333)**	**(76,468)**	**(675,647)**	**(1,244,530)**
Net book value						
As at December 31, 2023	404,204	964,523	81,400	261,471	482,605	2,194,203
As at December 31, 2024	**383,994**	**1,095,211**	**72,270**	**217,775**	**96,521**	**1,865,771**

During the year ended December 31, 2023, the Company entered into a lease agreement for camp equipment. The leased equipment has been recorded as a Right of Use ("ROU") asset and is amortized over the life of the lease (Note 7). As at December 31, 2024, the Company had incurred $404,204 in costs related to the construction of a water well at the Macpass Project. The water well was determined to be in use as at October 1, 2024.

(Expressed in Canadian Dollars)

6. Accounts Payable and Accrued Liabilities

A summary of the Company's accounts payable and accrued liabilities is as follows:

	December 31, 2024 $	December 31, 2023 $
Payable to related parties (Note 13)	370,903	341,521
Trade payables	2,338,882	1,888,235
Total Accounts Payable and Accrued Liabilities	**2,709,785**	**2,229,756**

7. Lease Liability

On April 15, 2023, the Company entered into a camp equipment lease agreement with a 60-month term and monthly payments of $42,469 for the first 24 months and $6,480 for the remaining 36 months. The lease consisted of two separate lease components, with the first being durable camp equipment with a life of 60 months and the second being other camp assets with an expected life of 24 months. The other camp assets have a purchase option of $1 at the conclusion of the 24-month lease period and the durable camp equipment has a purchase option of $75,765 at the conclusion of the 60-month lease period.

At the date of recognition, the lease liabilities were measured at the present value of the lease payments that were not paid at that date. The lease payments are discounted using an annual interest rate of 12% respectively. The continuity of the lease liabilities is presented in the table below:

	December 31, 2024	December 31, 2023
	$	$
Balance, beginning of year	756,897	-
Additions	-	1,066,411
Lease payments	(509,630)	(382,222)
Interest expense	67,008	72,708
Balance, end of year	314,275	756,897
Less: current portion of lease liability	(161,596)	(442,621)
Non-current portion of lease liability	**152,679**	**314,276**

(Expressed in Canadian Dollars)

The remaining minimum future lease payments, excluding estimated operating costs, for the term of the lease including assumed renewal periods are as follows:

	December 31, 2024 $	December 31, 2023 $
Less than 1 year	185,733	509,630
1 to 5 years	174,973	360,705
5+ years	-	-
Total minimum lease payments	360,706	870,335
Less imputed interest	(46,431)	(113,438)
Total lease obligation	314,275	756,897
Current portion of lease obligation	(161,596)	(442,621)
Non-current portion of lease liability	152,679	314,276

8. Loan Payable

In May 2020, the Company secured a $40,000 interest-free operating line of credit after applying for the government-sponsored Canada Emergency Business Account under the Government of Canada COVID-19 relief program.

On January 10, 2024, the Company repaid $30,000 of the loan, with the other $10,000 being forgiven in accordance with the loan repayment terms.

9. Flow-Through Premium Liability

Flow-through share premium liabilities include the liability portion of the flow-through shares issued. The following is a continuity schedule of the liability portion of the flow-through shares issuances:

	$
Balance at December 31, 2022	**3,658,182**
Liability incurred on flow-through shares issued	3,325,000
Flow-through issuance costs	(23,273)
Settlement of flow-through liability on incurred expenditures	(6,856,038)
Balance at December 31, 2023	**103,871**
Liability incurred on flow-through shares issued	10,380,957
Flow-through issuance costs	(266,990)
Settlement of flow-through liability on incurred expenditures	(8,928,392)
Balance at December 31, 2024	**1,289,446**

During the year ended December 31, 2023, the Company incurred flow-through expenditures of $28,606,450, therefore $6,960,708 of flow-through premium and $104,670 of flow-through related share issuance costs were recognized on the statement of loss and comprehensive loss, resulting in a $103,871 flow-through liability balance at December 31, 2023.

During the year ended December 31, 2024, the Company incurred flow-through expenditures of $25,121,392, therefore $9,161,986 of flow-through premium and $233,594 of flow-through related share issuance costs were recognized on the statement of loss and comprehensive loss, resulting in a $1,289,446 flow-through liability balance at December 31, 2024. The remaining flow-through expenditures must be incurred by December 31, 2025.

(Expressed in Canadian Dollars)

10. Rehabilitation Provision

The Company has estimated the present value of future rehabilitation costs required to remediate the Macpass and Mactung Projects based on their current state.

Although the ultimate amount of the rehabilitation liability is uncertain, the best estimate of these obligations is based on information currently available. The estimate is based on the expected cost of rehabilitation activities including dismantling, rehabilitating and removing camp facilities, roads, bridges, and mobile equipment.

The total amount of estimated undiscounted cash flow required to settle the Company's estimated obligations as at December 31, 2024 was $878,182 (2023 - $603,846). The calculation of present value of estimated future cash flows assumed a discount rate of 3.39% (2023 – 3.31%) and an inflation rate of 2.24% (2023 – 2.8%). Rehabilitation costs are estimated to be settled at various dates during 2028.

	$
Balance, December 31, 2022	**383,180**
Change in estimate	194,948
Accretion	10,960
Balance, December 31, 2023	**589,088**
Change in estimate	229,811
Accretion	25,333
Balance, December 31, 2024	**844,232**

11. Capital Stock and Reserves

The authorized capital stock of the Company consists of an unlimited number of common shares without nominal or par value. As at December 31, 2024, the Company had 181,299,504 (2023 – 145,445,800) common shares issued and outstanding.

Transactions for the year ended December 31, 2024

On June 21, 2024, the Company closed a private placement financing for gross proceeds of $43,076,296. The financing consisted of 12,985,586 common shares of the Company at a price of $1.10 per share, 909,090 flow-through common shares of the Company at a price of $1.55 per share, and 15,828,359 flow-through common shares sold to charitable purchasers at a price of $1.73 per share. The Company recorded a flow-through premium of $10,380,957 in connection with the private placement. The Company incurred total share issuance costs of $740,510, $266,990 of which were allocated to the flow-through premium.

During the year ended December 31, 2024, 2,854,669 common shares were issued pursuant to the exercise of warrants for proceeds of $1,712,801. The Company also issued 2,076,000 common shares pursuant to the exercise of stock options for proceeds of $1,603,126. The Company re-allocated $896,234 in option value from option reserve to capital stock. The Company also issued 1,200,000 common shares pursuant to the exercise of performance shares (Note 15).

Transactions for the year ended December 31, 2023

On September 1, 2023, the Company closed a private placement financing for gross proceeds of $16,800,000. The financing consisted of 8,750,000 flow-through common shares of the Company at a price of $1.92 per share. The Company recorded a flow-through premium of $3,325,000 in connection with the private placement. The Company incurred total share issuance costs of $94,315, $23,273 of which were allocated to the flow-through premium. The Company also issued 44,785 one-year finders' warrants, which are exercisable at the price of $1.37 per share. The warrants were valued at $21,012 using the Black-Scholes Option Pricing Model using the following assumptions: Risk-free rate – 4.59%; expected volatility – 61.15%; expected life – 1 year; forfeiture rate – nil; dividend rate – nil.

(Expressed in Canadian Dollars)

During the year ended December 31, 2023, 1,304,279 common shares were issued pursuant to the exercise of warrants for proceeds of $894,723. The Company re-allocated $188,904 in fair value of finders' warrants from warrants reserve to capital stock.

During the year ended December 31, 2023, 199,522 common shares were issued pursuant to the exercise of 357,600 options for proceeds of $94,340. Of the 357,600 options exercised, 198,000 were cashless exercises, resulting in the issuance of 39,922 common shares. The Company re-allocated $116,322 of options reserves to capital stock.

Stock options

The Company has in place a stock option plan ("the Plan") whereby it can grant options to directors, officers, employees, and consultants of the Company. The maximum numbers of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time and are exercisable up to a maximum of ten (10) years. The vesting period for all options is at the discretion of the Board of Directors. The exercise price will be set by at the time of grant and cannot be less than the discounted market price of the Company's common shares at the time of grant.

The following is a summary of the Company's stock option activity:

	Number of Options	Weighted Average Exercise Price $
Balance as at December 31, 2022	**7,552,000**	**0.70**
Granted	5,616,000	1.08
Exercised	(357,600)	0.62
Forfeited	(162,800)	0.59
Expired	(665,000)	1.45
Balance, as at December 31, 2023	**11,982,600**	**0.84**
Granted	3,520,000	1.18
Exercised	(2,076,000)	0.77
Expired/ Forfeited	(1,293,600)	0.93
Balance, as at December 31, 2024	**12,133,000**	**0.94**

The Company recorded share-based compensation expense of $2,406,174 (2023 - $2,292,262) during the year ended December 31, 2024. Of the total share-based compensation expense, $2,286,174 (2023 - $2,292,262) related to the vesting of previously granted options, using the Black-Scholes option pricing model and $120,000 (2023 - $nil) to issuance of performance shares (Note 17).

(Expressed in Canadian Dollars)

As at December 31, 2024, the Company had outstanding stock options exercisable as follows:

Expiry date (mm/dd/yyyy)	Number of Options Outstanding	Number of Options Exercisable	Weighted Average Remaining life in Years	Weighted Average Exercise Price $
06/10/2025	621,000	621,000	0.44	0.59
08/25/2025	160,000	160,000	0.65	0.71
07/07/2026	962,000	962,000	1.52	0.80
09/02/2027	2,560,000	2,008,000	2.67	0.55
09/21/2027	190,000	152,000	2.72	0.59
11/17/2027	80,000	64,000	2.88	0.73
02/27/2028	280,000	168,000	3.16	0.85
06/20/2028	3,190,000	1,914,000	3.49	1.01
07/05/2028	100,000	40,000	3.51	1.11
08/24/2028	400,000	160,000	3.65	1.70
09/12/2028	240,000	96,000	3.70	1.42
06/25/2029	3,350,000	670,000	4.45	1.18
	12,133,000	**7,015,000**	**3.22**	**0.94**

The weighted average fair value of stock options granted during the year ended December 31, 2024 of $0.69 (2023 - $0.60) was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2024	2023
Stock price	$1.18	$1.03
Exercise price	$1.18	$1.08
Risk-free interest rate	3.41%	3.73%
Expected life	5.0 years	5.0 years
Expected volatility	67.23%	67.6%
Expected dividends	Nil	Nil

Expected volatility is based on peer companies' volatilities.

Share purchase warrants and agents' warrants

The share purchase warrants, agents' warrants and options activities are summarized below:

	Number of Warrants	Weighted Average Exercise Price $
Balance as at December 31, 2022	**4,265,773**	**0.63**
Exercised	(1,304,279)	0.69
Expired	(73,825)	0.88
Issued	44,785	1.37
Balance as at December 31, 2023	**2,932,454**	**0.61**
Exercised	(2,854,669)	0.60
Expired	(77,785)	1.04
Balance as at December 31, 2024	**-**	**-**

As at December 31, 2024, the Company does not have any outstanding share purchase and agents' warrants.

(Expressed in Canadian Dollars)

12. Income Tax

A reconciliation of current income taxes at statutory rates with the reported taxes is as follows:

	2024 $	2023 $
Net loss before income tax	(34,661,534)	(33,264,051)
Expected income tax recovery	(9,359,000)	(8,981,000)
Change in statutory, foreign tax, foreign exchange rates and other	-	2,000
Permanent difference	(2,081,000)	(1,232,000)
Impact of flow through shares	7,039,000	8,553,000
Share issuance costs	(128,000)	(25,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	18,000	-
Change in unrecognized deductible temporary differences	4,511,000	1,683,000
Total income tax expense	**-**	**-**

The significant components of the Company's deferred tax assets are as follows:

Deferred tax assets	**2024** **$**	**2023** **$**
Exploration and evaluation assets	6,948,000	4,241,000
Property and equipment, and other	335,000	111,000
Share issue costs	200,000	166,000
Non-capital losses available for future period	6,294,000	4,748,000
Net deferred tax assets	13,777,000	9,266,000

The significant components of deductible temporary differences, unused tax losses and unused tax credits that have not been included on the statement of financial position are as follows:

	December 31, 2024 **$**	**Expiry Dates**	**December 31, 2023** **$**	**Expiry Dates**
Exploration and evaluation assets	25,732,000	No expiry date	15,711,000	No expiry date
Property and equipment, and other	1,240,000	No expiry date	423,000	No expiry date
Share issue costs	740,000	2024-2048	614,000	2044-2047
Non-capital losses	23,312,000	2026-2043	17,585,000	2035-2043

Tax attributes are subject to review and potential adjustment by tax authorities.

(Expressed in Canadian Dollars)

13. Related Party Transactions

Related party transactions mainly include management and consulting fees, director and committee fees as well as share-based compensation. The related parties are represented by the key management personnel, which include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Related parties also include companies, controlled by officers and/or directors.

The remuneration to directors and key management personnel during the years ended December 31, 2024, and 2023 was as follows:

Nature of the transaction	December 31, 2024 $	December 31, 2023 $
General & administrative	350,614	189,835
Management and consulting fees	1,613,848	1,269,069
Management and consulting fees related to exploration and evaluation	235,303	436,507
Share-based compensation	735,070	1,351,698
Total compensation	**2,934,835**	**3,247,109**

During the year ended December 31, 2024, the Company paid $156,962 (December 31, 2023 - $nil) in fees for key management services rendered under a Services Agreement with Bluestone Resources Inc. ("Bluestone"). Fees paid are included in management and consulting fees on the consolidated statements of loss and comprehensive loss. The Company and Bluestone became related parties effective May 3, 2024.

During the year ended December 31, 2024, the Company paid $91,628 (December 31, 2023 - $nil) in fees for key management services rendered under a Services Agreement with Faraday Copper Corp ("Faraday"). Fees paid are included in management and consulting fees on the consolidated statements of loss and comprehensive loss. The Company and Faraday became related parties effective September 30, 2024.

During the year ended, December 31, 2024, the Company paid $70,800 (2023 - $25,440) in promotional programs expenses to a family member of a former Director.

The following amounts were owed to directors and key management personnel or companies controlled by them. These payables are unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

		December 31, 2024 $	December 31, 2023 $
Director	Director and committee fees	255,754	8,250
Key management	Management fees and expense recoveries	115,149	333,271
		370,903	**341,521**

14. Segmented Information

The Company operates in one reportable segment, being the acquisition and exploration of mineral projects. All of the Company's operations are within the mineral exploration sector in Canada.

15. Capital Management

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. In the management of capital, the Company includes components of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage and as such the Company is dependent on external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company may continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has or feels it can raise adequate financial resources to do so. The Company is not subject to any externally imposed capital requirements and there were no changes to management's approach to capital management during the year ended December 31, 2024.

16. Financial Instruments and Risk Management

The Company has classified its financial instruments as follows:

Fair Value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

The fair value of the Company's cash and cash equivalents, receivables, reclamation bond, loan payable and accounts payable and accrued liabilities and purchase obligation, approximate carrying value, which is the amount recorded on the statements of financial position.

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

Credit risk

Credit risk is the risk of an unexpected loss if a third party to a financial instrument fails to meet its contractual obligations.

The financial instruments that potentially subject the Company to a significant concentration of credit risk consist of cash and cash equivalents. The Company mitigates its exposure to credit loss associated with cash and cash equivalents by placing its cash and cash equivalents in major financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2024, the Company had a cash balance of $19,818,768 to settle current liabilities of $4,160,827. The Company believes it has sufficient funds to meet its current liabilities as they become due.

The Company is dependent on obtaining regular financings in order to continue as a going concern. Despite previous success in acquiring these financings, there is no guarantee of obtaining future financings.

(Expressed in Canadian Dollars)

Additionally, the Company will fund portions of its planned work programs with funding provided by the U.S Department of Defense under Title III of the Defense Production Act of 1950 and the conditionally-awarded, pending due diligence, funding from the Government of Canada through the Critical Minerals Infrastructure Fund. There is no assurance that funds as indicated in the agreements will be received by the Company as planned.

Interest rate risk

The interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at December 31, 2024 the Company is not exposed to significant interest rate risk.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of resources, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Foreign currency risk

The Company operates predominantly in Canada and is not exposed to any significant foreign currency risk.

17. Commitments

On December 19, 2016, the Company granted but did not issue 1,000,000 performance shares to each of four founders/directors for a total of 4,000,000 common shares in recognition of services to date and as incentive for continuing services in advancing the Company's projects. Each founder/director will receive, upon request and confirmation, the following performance shares upon achievement of the following milestones:

Number of shares to be issued	Milestone
300,000	Preparation of a positive preliminary economic assessment of the Tom and Jason zinc-lead-silver deposits (or any part of this property thereof).
300,000	Increasing the mineral resources contained within the Tom and Jason property by at least 50% over the current stated mineral resources as stated in the 2007 Technical Report by D. Rennie (either by additional tonnage or increased total zinc+lead+silver content at similar or higher grade).
Balance(1)	Preparation of a positive Pre-Feasibility Study of the Tom and Jason deposits (or any part thereof).
Balance(1)	The effective disposition of greater than 50% of the Tom and Jason deposits or of the Company, whether by way of sale, business combination, joint venture or other similar form of transaction, demonstrating a value of at least $10,000,000.

(1) Balance of the 1,000,000 performance shares which have not been previously issued will be issued upon the achievement of either one or the other of these two milestones.

Under the terms of the performance shares agreement above, the Company issued 1,200,000 common shares to former directors of the Company during the year ended December 31, 2024.

As of December 31, 2024, a total of 1,500,000 common shares have been issued, 900,000 common shares are issuable upon request from the founder/director, and 1,600,000 common shares will be issuable upon the achievement of either one of the final two milestones.

On May 1, 2024, the Company entered into a management services agreement (the “Agreement”) with a management services company for the use of certain shared office facilities and related services. As part of the terms of the Agreement, the Company is required to pay a basic fee of $30,000 per month, plus applicable taxes. The Agreement expires on April 30, 2029. The Company is required to make a one-time termination payment as determined by the Agreement and the management services company, if the Company were to terminate the agreement prior to its expiry.

18. Subsequent Events

On January 16, 2025, the Company acquired various claims from Strategic Metals Limited. These claims are fully enclosed within the boundaries of Fireweed’s Macpass Project. As consideration for the claims the Company paid $150,000 and issued 147,888 common shares.

On January 17, 2025, the Company granted stock options exercisable into 350,000 common shares in the Company to certain officers, employees and consultants of the Company. The stock options are exercisable at a price of $1.42 per share for a five-year term.

On January 30, 2025, the Company granted stock options exercisable into 2,595,000 common shares in the Company to certain officers, employees and consultants of the Company. The stock options are exercisable at a price of $1.48 per share for a five-year term.

On February 27, 2025, the Company granted stock options exercisable into 145,475 common shares in the Company to certain officers, employees and consultants of the Company. The stock options are exercisable at a price of $1.63 per share for a five-year term.

Subsequent to December 31, 2024, 628,400 stock options have been exercised for proceeds of $477,444.