FIREWEED ZINC LTD.

(An Exploration Stage Company)

(Unaudited - Expressed in Canadian Dollars)

Interim Financial Statements

March 31, 2017

Index

Notice of non-review of interim financial statements

The attached interim financial statements for the three month period ended March 31, 2017 have not been reviewed by the Company's auditors.

FIREWEED ZINC LTD.
Statements of Financial Position as at
(Unaudited - Expressed in Canadian Dollars)

	Note		March 31, 2017		December 31, 2016
Assets					
Current assets:					
Cash		$	493,689	$	72,214
Receivables			8,087		4,013
Prepaid expenses			24,450		1,950
			526,226		78,177
Exploration and evaluation assets	4		128,502		101,971
		$	654,728	$	180,148
Liabilities and Shareholders' Equity					
Current liabilities:					
Accounts payable and accrued liabilities	5	$	26,915	$	31,808
Shareholders' equity:					
Capital stock	6		915,500		270,500
Subscriptions received in advance			-		80,000
Deficit			(287,687)		(202,160)
			627,813		148,340
		$	654,728	$	180,148

Nature and continuance of operations (Note 1)
Commitment (Note 11)
Subsequent events (Note 12)

On behalf of the Board:

"Brandon Macdonald" Director *"George Gorzynski"* Director

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

FIREWEED ZINC LTD.
Statements of Operations and Comprehensive Loss
(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31, 2017	Three months ended March 31, 2016
Expenses			
Consulting fees	7	$ 31,250	$ -
Investor relations		37,611	-
Office expenses		592	-
Professional Fees		7,724	-
Rent		5,850	-
Transfer Agent & Filing Fees		2,500	-
Net loss for the period		(85,527)	-
Loss per share – basic and diluted		$ (0.01)	$ -
Weighted average number of common shares outstanding – basic and diluted		8,527,333	3,200,000

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

FIREWEED ZINC LTD.

Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

	Note	Three months ended March 31, 2017	Three months ended March 31, 2016
OPERATING ACTIVITIES			
Net loss for the period		$ (85,527)	$ -
Change in non-cash working capital items:			
Receivables		(4,074)	-
Prepaid expenses		(22,500)	-
Accounts payable and accrued liabilities		(6,010)	-
		(118,111)	-
INVESTING ACTIVITIES			
Exploration and evaluation assets	4	(25,414)	-
		(25,414)	-
FINANCING ACTIVITIES			
Capital stock, net of issuance costs	6	565,000	-
		565,000	-
Increase in cash		421,475	-
Cash, beginning of the period		72,214	-
Cash, end of the period		$ 493,689	$ -

Supplemental disclosures with respect to cash flows:

Supplemental Schedule of Non-Cash Investing and Financing Activities

Exploration and evaluation expenditures included in accounts payable	$ 1,292	$ -

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

FIREWEED ZINC LTD.

Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

		Capital Stock								
	Note	Shares		Amount		Subscriptions received in advance		Deficit		Total
Balance at December 31, 2015		3,200,000	$	800		-	$	(13,521)	$	(12,721)
Issued for:										
Shares surrendered		(1,200,000)		(300)		-		-		(300)
Seed financings	6	3,700,000		270,000		-		-		270,000
Subscriptions received in advance	6	-		-		80,000		-		80,000
Loss for the year		-		-		-		(188,639)		(188,639)
Balance at December 31, 2016		5,700,000	$	270,500	$	80,000	$	(202,160)	$	148,340
Issued for:										
Seed financings	6	3,720,000		645,000		(80,000)		-		565,000
Loss for the period		-		-		-		(85,527)		(85,527)
Balance at March 31, 2017		9,420,000	$	915,500	$	-	$	(287,687)	$	627,813

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

1. Nature and continuance of operations

Fireweed Zinc Ltd. (the "Company") is a private company 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, exploration and development of mineral assets. Currently the Company has one project, the Tom Jason zinc-lead-silver property in Yukon.

The Company's head office and principal address is Suite 1020 – 800 West Pender Street, Vancouver, British Columbia, Canada V6C 2V6. The registered and records office is Suite 2900 – 595 Burrard Street, Vancouver, British Columbia, Canada V7X 1J5.

The Company's ability to continue operations is not assured and is dependent upon the ability of the Company to obtain necessary financing to meet the Company's 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. The interim 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. With the capital raised during the quarter, management believes that the Company has sufficient working capital to maintain its operations and activities for the next fiscal year.

These interim financial statements are authorized for issue by the Board of Directors on May 11, 2017.

The interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for interim information, specifically International Accounting Standards ("IAS") 34 - Interim Financial Reporting. In addition, the interim financial statements have been prepared using interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and the same accounting policies and methods of their application as the most recent annual financial statements of the Company. These interim financial statements do not include all disclosures normally provided in the annual financial statements and should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2016. In management's opinion, all adjustments necessary for fair presentation have been included in these interim financial statements. Interim results are not necessarily indicative of the results expected for the year ended December 31, 2017.

2. Basis of presentation

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

3. Significant accounting policies

New standards and interpretations not yet adopted

Certain new standards, interpretations, amendments and improvements to existing standards were issued by the IASB or IFRIC that are mandatory for future accounting periods. The following have not yet been adopted by the Company and are being evaluated to determine their impact.

- IFRS 9: New standard that replaced IAS 39 for classification and measurement, tentatively effective for annual periods beginning on or after January 1, 2018.

- IFRS 16, Leases: New standard to establish principles for recognition, measurement, presentation and disclosure of leases with an impact on lessee accounting, effective for annual periods beginning on or after January 1, 2019.

(Unaudited - Expressed in Canadian Dollars)

4. Exploration and evaluation assets

Tom Jason (Yukon, Canada)	Note		**March 31, 2017**		**December 31, 2016**
Acquisition costs:					
Opening balance		$	100,000	$	-
Additions during the period:					
Cash payments			-		100,000
Total acquisition costs			100,000		100,000
Exploration costs:					
Opening balance			1,971		-
Additions during the period:					
Geological consulting	7		21,051		1,971
Travel & support			152		-
Legal & other			5,328		-
Total exploration costs			28,502		1,971
Ending balance		**$**	**128,502**	**$**	**101,971**

Tom Jason, Yukon, Canada

On December 14, 2016, the Company entered into a two year option agreement with Hudbay Minerals Inc. ("Hudbay") whereby the Company can acquire a 100% interest in the Tom Jason zinc-lead-silver property by paying $1,000,000 in cash, issuing such quantity of common shares in the capital of the Company as is equal to 15% of its then issued and outstanding shares on a fully diluted basis but excluding shares issued for projects other than Tom Jason, and incurring exploration expenditures of $1,000,000 over two years or a prorated lesser amount if the option is exercised earlier than two years. These terms are summarized as follows:

Due Date	**Cash**	**Common shares**	**Cumulative exploration expenditures**
December 14, 2016	$ 100,000 (paid)	-	-
December 14, 2017	-	-	$ 250,000
Earlier of the Company's IPO and exercise of the option	$ 150,000	-	-
Exercise of the option	$ 750,000	15% of issued and outstanding shares	$ 1,000,000

Upon exercise of the option, the Company will assume a pre-existing 3% net smelter royalty ("NSR") on the Jason claims to third parties but will then have the right to purchase at any time, 1.5% of the NSR for $1,250,000 and the remaining 1.5% NSR for $4,000,000. The Tom claims are not encumbered by any underlying royalties.

5. Accounts payable and accrued liabilities

Accounts payable and accrued liabilities mainly consist of payables to directors for expenses reimbursement and accrued liabilities for audit fees and corporate tax return services. The breakdowns of accounts payable and accrued liabilities are as follows:

	Note		March 31, 2017		December 31, 2016
Payable to directors	7	$	8,323	$	14,308
Payable to vendors			1,092		-
Accrued liabilities			17,500		17,500
		$	26,915	$	31,808

6. Capital stock

The authorized capital stock of the Company consists of an unlimited number of common shares without nominal or par value.

Issued and outstanding

Transactions for the period ended March 31, 2017

On January 5, 2017, 1,900,000 common shares were issued at $0.10 per share for gross proceeds of $190,000 upon closing of second tranche of $0.10 seed financings. Of the $190,000, $80,000 was received in advance and included in subscriptions received in advance as at December 31, 2016.

On February 6, 2017, 1,680,000 common shares were issued at $0.25 per share for gross proceeds of $420,000.

On March 3, 2017, 140,000 common shares were issued at $0.25 per share for gross proceeds of $35,000.

Transactions for the year ended December 31, 2016

On September 20, 2016, 1,200,000 of incorporation shares with a value of $300 were surrendered and returned back to the Company.

On October 24, 2016, 2,000,000 common shares were issued at $0.01 per share for gross proceeds of $20,000. In connection with the issuance, share-based compensation of $100,000 was recorded in profit and loss to reflect the fair value of the shares.

On October 25, 2016, 500,000 common shares were issued at $0.06 per share for gross proceeds of $30,000.

On December 12, 2016, 1,200,000 common shares were issued at $0.10 per share for gross proceeds of $120,000.

As at December 31, 2016, share subscriptions of $80,000 for 800,000 common shares were received in advance for the second tranche of $0.10 seed financings, which was closed on January 5, 2017 subsequent to the year-end.

Stock options

On February 8, 2017, the Company adopted a stock option plan (“the Plan”) whereby it can grant options to directors, officers, employees, and technical 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 within a maximum of ten (10) years. The vesting period for all options is at the discretion of the directors. The exercise price will be set by the directors at the time of grant and cannot be less than the discounted market price of the Company’s common shares.

As at March 31, 2017, the Company had no stock options outstanding (December 31, 2016 – nil).

(Unaudited - Expressed in Canadian Dollars)

7. Related party transactions

Key management personnel 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.

Compensation of key management was as follows:

		Three months ended March 31, 2017		Three months ended March 31, 2016
Brandon Macdonald, Director & CEO	$	22,500	$	-
	$	22,500	$	-

The remuneration of key management personnel during the three months ended March 31, 2017 was $22,500 (2016 - $nil), where $15,000 was expensed to consulting fees and $7,500 was capitalized to exploration and evaluation assets. As at March 31, 2017, $8,323 (December 31, 2016 - $14,308) owing to key management was included in accounts payable and accrued liabilities for expense reimbursements. These payables are unsecured, non-interest bearing and are expected to be repaid under normal trade terms.

8. Segmented information

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

9. 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, exploration and development 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; 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 will 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.

10. Financial instruments

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 receivables, and accounts payable and accrued liabilities approximate carrying value, which is the amount recorded on the statements of financial position. The fair value of the Company's other financial instruments, cash, under the fair value hierarchy are based on level 1 quoted prices in active markets for identical assets and liabilities.

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 loss associated with a counterparty's inability to fulfill its payment obligations. Receivables consist of GST recoverable amounts from the Federal Government of Canada. The Company believes its exposure to credit risk is equal to the carrying value of this balance.

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 March 31, 2017, the Company had a cash balance of $493,689 (December 31, 2016 - $72,214) to settle current liabilities of $26,915 (December 31, 2016 - $31,808). 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.

Interest rate risk

The Company has non-interest bearing cash balances and is not at risk to fluctuating interest rates.

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 predominately in Canada and is not exposed to any significant foreign currency risk.

(Unaudited - Expressed in Canadian Dollars)

11. Commitment

On December 19, 2016, the Company granted but did not issue, 1,000,000 performance shares to each of its four founders/directors for a total of 4,000,000 shares, in recognition of services to date and as incentive for continuing services in advancing the project and increasing shareholder value. These performance shares will be issued upon achievement of the following milestones:

Number of shares to be issued	Milestone
300,000	Preparation of a positive preliminary economic assessment of the Property (or any part of the Property thereof).
300,000	Increasing the mineral resources contained within the 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 Property (or any part of the Property thereof).
Balance(1)	The effective disposition of greater than 50% of the Property 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.

12. Subsequent events

On April 26, 2017, the Company granted 1,380,000 stock options to certain directors, officers and consultants of the Company. They are exercisable at a price of $0.50 per common share for a period of 5 years, and vest over a period of two and one-half years with 20% vesting upon six months following the IPO date, and an additional 20% every six months thereafter.

On May 9, 2017, the Company filed its Prospectus toward its planned initial public offering on the TSX Venture Exchange which is intended to raise $3,500,000 at a price of $0.50 per share with issuance of 7,000,000 common shares.