



FIREWEED

M E T A L S

FIREWEED METALS CORP.

(Expressed in Canadian Dollars)

Consolidated Financial Statements

For the years ended December 31, 2025 and 2024

DAVIDSON

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, 2025 and 2024, 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, 2025 and 2024, 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 (IFRS Accounting Standards).

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 as at December 31, 2025, the Company had an accumulated deficit of \$156,896,692 and current assets of \$30,793,706 to settle current liabilities of \$7,409,547, leaving the company with a net working capital balance of \$23,384,159. 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. 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 matter described below to be the key audit matter to be communicated in our auditor's report.

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

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was \$18,500,750 as of December 31, 2025. 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:

- 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.
- Plan and perform the group audit to 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 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

Chartered Professional Accountants

Vancouver, Canada

March 25, 2026

FIREWEED METALS CORP.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

As at December 31, 2025 and 2024

	Note(s)	December 31, 2025	December 31, 2024
Assets			
Current assets			
Cash and cash equivalents		\$25,708,243	\$19,818,768
Receivables	4	4,616,872	1,258,285
Prepaid expenses	5	468,591	410,133
		30,793,706	21,487,186
Non-current assets			
Equipment and right of use assets	7	2,263,225	1,865,771
Permitting bonds		600,965	39,596
Exploration and evaluation assets	6	18,500,750	17,606,595
		\$52,158,646	\$40,999,148
Total assets			
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	8,14	\$3,368,167	\$2,709,785
Lease liability, short-term	9	62,825	161,596
Flow-through premium liability	10	3,978,555	1,289,446
		7,409,547	4,160,827
Non-current liabilities			
Lease liability, long-term	9	89,852	152,679
Rehabilitation provisions	11	1,406,331	844,232
		8,905,730	5,157,738
Total liabilities			
Shareholders' equity			
Capital stock	12	192,527,050	144,587,367
Options reserve	12	7,439,305	6,221,562
Warrants reserve	12	183,253	183,253
Deficit		(156,896,692)	(115,150,772)
		43,252,916	35,841,410
Total shareholders' equity			
Total liabilities and shareholders' equity			
		\$52,158,646	\$40,999,148

Nature of operations and going concern (Note 1)

Commitments (Note 18)

Subsequent events (Note 19)

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, 2025 and 2024

	Note(s)	December 31, 2025	December 31, 2024
Expenses			
Consulting and management	14	\$2,927,044	\$2,875,667
Depreciation	7	521,604	675,798
Exploration and evaluation	6	44,888,084	34,274,695
General & administrative		2,460,910	2,650,744
Investor relations and corporate development		701,994	1,316,376
Interest expense	9	28,819	67,008
Share-based compensation	12,14	3,201,868	2,406,174
		54,730,323	44,266,462
Other expenses (income)			
Accretion on rehabilitation provision	11	27,944	25,333
Amortization of flow-through liability	10	(12,073,531)	(8,928,392)
Part XII.6 tax		20,790	193,307
Finance expense on purchase obligation	6	-	317,796
Foreign exchange loss (gain)		68,876	(16,039)
Interest income		(1,028,482)	(1,186,933)
Gain on debt settlement		-	(10,000)
			(10,000)
Loss and comprehensive loss for the year		\$41,745,920	\$34,661,534
Loss per share – basic and diluted		\$0.21	\$0.21
Weighted average number of common shares outstanding – basic and diluted		198,496,954	164,900,255

FIREWEED METALS CORP.

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

For the years ended December 31, 2025 and 2024

	Note(s)	December 31, 2025	December 31, 2024
Cash used in operating activities			
Loss for the year		(\$41,745,920)	(\$34,661,534)
Adjustment for items not affecting cash			
Amortization of flow-through liability	10	(12,073,531)	(8,928,392)
Accretion on rehabilitation provision	11	27,944	25,333
Depreciation	7	521,604	675,798
Foreign exchange loss		68,876	-
Finance expense on purchase obligation	6	-	317,796
Gain on debt settlement		-	(10,000)
Share-based compensation	12	3,201,868	2,406,174
Interest on lease obligations	9	24,136	67,008
Change in non-cash working capital items			
Receivables	4	(3,358,587)	(975,264)
Prepaid expenses	5	(58,458)	(52,055)
Accounts payable and accrued liabilities	8	743,062	383,823
		(52,649,006)	(40,751,313)
Cash used in investing activities			
Acquisition of equipment	7	(1,006,745)	(251,160)
Purchase obligation repayment	6	-	(3,500,000)
Exploration and evaluation assets	6	(150,000)	(15,220)
Permitting bonds		(561,369)	-
		(1,718,114)	(3,766,380)
Cash generated by financing activities			
Proceeds from share issuance	12	60,002,760	43,076,296
Share issuance costs	12	(2,902,470)	(740,510)
Repayment of CEBA loan		-	(30,000)
Proceeds from warrants exercised	12	-	1,712,801
Proceeds from options exercised	12	3,407,908	1,603,126
Lease payments	9	(185,734)	(509,630)
		60,322,464	45,112,083
Effects of foreign exchange rate changes on cash and cash equivalents		(65,869)	-
Increase in cash and cash equivalents		5,889,475	594,390
Cash and cash equivalents, beginning of the year		19,818,768	19,224,378
Cash and cash equivalents, end of the year		\$25,708,243	\$19,818,768
Cash		\$25,650,743	\$880,115
Cash equivalents		57,500	18,938,653
		\$25,708,243	\$19,818,768
Supplemental disclosures with respect to cash flows			
Non-cash investing and financing activities			
Acquisition of equipment included in accounts payable		\$8,518	96,206
Flow through premium liability	10	15,715,920	10,380,957
Share issuance costs allocation to flow-through premium	10	953,280	266,990
Shares issued for exploration and evaluation assets	6	210,000	-
Change in rehabilitation provision	11	534,155	229,811
Fair value of exercised options	12	1,924,125	896,234

FIREWEED METALS CORP.

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

	Capital Stock		Warrants reserve	Options reserve	Deficit	Total
	Shares	Amount				
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	-	-	-	2,286,174	-	2,286,174
Shares issued in private placement	12,985,586	14,284,145	-	-	-	14,284,145
Flow-through shares issued in private placement	909,090	1,409,090	-	-	-	1,409,090
Flow-through charity shares issued in private placement	15,828,359	27,383,061	-	-	-	27,383,061
Flow-through premium	-	(10,380,957)	-	-	-	(10,380,957)
Share issuance costs	-	(473,520)	-	-	-	(473,520)
Performance shares	1,200,000	120,000	-	-	-	120,000
Options exercised	2,076,000	2,499,360	-	(896,234)	-	1,603,126
Warrants exercised	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
Share-based compensation	-	-	-	3,141,868	-	3,141,868
Shares issued in private placement	7,777,800	14,000,040	-	-	-	14,000,040
Flow-through charity shares issued in private placement	16,826,000	46,002,720	-	-	-	46,002,720
Flow-through premium	-	(15,715,920)	-	-	-	(15,715,920)
Share issuance costs	-	(1,949,190)	-	-	-	(1,949,190)
Performance shares	600,000	60,000	-	-	-	60,000
Shares issued for exploration and evaluation assets	147,888	210,000	-	-	-	210,000
Options exercised	4,224,200	5,332,033	-	(1,924,125)	-	3,407,908
Loss for the year	-	-	-	-	(41,745,920)	(41,745,920)
Balance at December 31, 2025	210,875,392	\$192,527,050	\$183,253	\$7,439,305	(\$156,896,692)	\$43,252,916

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

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. As at December 31, 2025, the Company has three mineral exploration projects in northern Canada: the Macpass project (Yukon) (“Macpass”), the Mactung project (Yukon/Northwest Territories) (“Mactung”), and the Gayna project (Northwest Territories) (“Gayna”); plus the Company’s Planning for North Canol Infrastructure Improvement project (Yukon) (“PNCII”). 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, 2025, the Company had an accumulated deficit of \$156,896,692 and current assets of \$30,793,706 to settle current liabilities of \$7,409,547, leaving the Company with a net working capital balance of \$23,384,159. 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, 2025, have been prepared by management, reviewed by the Audit Committee and authorized for issue by the Board of Directors on March 25, 2026.

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, 2025.

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.

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 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.

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

3. Material Accounting Policies (cont'd)

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
Permitting bonds	Financial asset measured at amortized cost
Accounts payable and accrued liabilities	Financial liability measured at amortized cost
Lease liability	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.

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

3. Material Accounting Policies (cont'd)

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: Site Infrastructure – 20% declining balance, Exploration Equipment – 20% declining balance, Other Equipment – 20 - 45% 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.

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Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

3. Material Accounting Policies (cont'd)

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.

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Notes to the Consolidated Financial Statements
For the Years Ended December 31, 2025 and 2024
(Expressed in Canadian Dollars)

3. Material Accounting Policies (cont'd)

j) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as a deduction against the related expense over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Government grants received in advance that relate to expenditures in future periods are deferred on the statements of financial position within deferred liabilities and deducted against the related expenditures as incurred.

k) 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.

l) 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, 2025.

FIREWEED METALS CORP.

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3. Material Accounting Policies (cont'd)

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, 2025 and 2024 are disclosed in Note 12.

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 11 for more details.

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
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3. Material Accounting Policies (cont'd)

m) 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.

n) 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.

o) 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 recognizes as amortization of flow-through liability.

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
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3. Material Accounting Policies (cont'd)

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 expects no impact upon the adoption 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.

Minor amendments to IFRS Accounting Standards

In July 2024, the IASB issued minor amendments to IFRS Accounting Standards as part of its regular review of the standards. They include:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on Implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Instruments; and
- IAS 7 Statement of Cash Flows.

The amendments are effective for annual periods beginning on or after January 1, 2026 with early application permitted. These amendments are limited to changes that either clarify wording or correct unintended oversights in the IFRS Accounting Standards. The Company expects no impact upon the adoption of these amendments on its consolidated financial statements.

FIREWEED METALS CORP.

Notes to the Consolidated Financial Statements
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4. Receivables

	December 31, 2025	December 31, 2024
Government grants receivable	\$4,095,507	\$980,852
GST/HST receivable	521,365	218,741
Other receivables	-	58,692
Total receivables	\$4,616,872	\$1,258,285

Government grants receivable is composed of the following:

U.S. Government Funding

On December 12, 2024, the Company was awarded up to US\$15.8M from the U.S. Department of War under Title III of the Defense Production Act of 1950 ("DPA Title III"). The objective of the DPA Title III funding is to progress Mactung to a final investment decision, a precursor to project construction and subsequent production of domestic tungsten concentrates. For the year ended December 31, 2025, the Company recorded reimbursements under this grant totalling \$11,970,451 (2024 - \$nil), of which \$8,971,747 was received.

National Resources Canada ("NRCan")

On August 26, 2025, the Company signed a Contribution Agreement with NRCan under the Critical Minerals Infrastructure Fund ("CMIF") to provide up to \$12.9M of funding for Fireweed to advance planning for regional road and transmission line infrastructure improvements proposed as the PNCII project. For the year ended December 31, 2025, the Company recorded reimbursements under this grant totalling \$2,389,130 (2024 - \$nil), of which \$1,292,327 was received.

Canada's Digital Technology Supercluster ("Supercluster")

In 2021, the Company signed an agreement with Subsurface Intelligence to Unlock Critical Minerals Supply ("UCM") project from DIGITAL, Canada's Global Innovation Cluster to support to muon tomography surveys performed during its exploration programs at Macpass. For the year ended December 31, 2025, the Company recorded reimbursements under this grant totalling \$758,620 (2024 - \$1,304,088) of which all funds were received (2024 - \$323,236).

5. Prepaid Expenses

	December 31, 2025	December 31, 2024
Prepaid insurance	\$20,249	\$29,790
Prepaid expenses	250,046	202,059
Advance deposits	133,552	124,839
Security deposits	64,744	53,445
Total prepaid expenses	\$468,591	\$410,133

Prepaid insurance, prepaid expenses and security deposits are comprised largely of general and administrative items. Advance deposits consist of prepayments made to vendors in consideration of activities yet to be provided as part of the Company's operating field season conducted mostly during the months of May through October and is therefore seasonal in nature.

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Notes to the Consolidated Financial Statements
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6. Exploration and Evaluation Assets and Expenses

Exploration & Evaluation Assets	Macpass	Mactung	Gayna	Total
Acquisition and maintenance costs				
Balance, December 31, 2023	\$12,804,423	\$4,499,389	\$57,752	\$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	4,513,447	57,752	17,606,595
Change in rehabilitation provision	229,753	195,696	108,706	534,155
Cash payments	150,000	-	-	150,000
Shares issued	210,000	-	-	210,000
Balance, December 31, 2025	\$13,625,149	\$4,709,143	\$166,458	\$18,500,750

Exploration & Evaluation Expenses	Macpass	Mactung	Gayna	Total
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	20,005	360,711	5,490,065
Other expenditures	279,648	19,216	-	298,864
Permitting, environment, social	3,243,336	707,424	88,744	4,039,504
Year ended				
December 31, 2024	\$32,022,604	\$1,802,636	\$449,455	\$34,274,695

Exploration & Evaluation Expenses	Macpass	Mactung	Gayna	PNCII	Total
Assaying	\$941,351	\$901,639	\$36,975	\$-	\$1,879,965
Camp and field	10,479,762	7,817,766	3,067,934	411,465	21,776,927
Drilling	7,300,286	7,533,804	1,139,501	-	15,973,591
Engineering	777,513	3,843,284	-	1,550,584	6,171,381
Exploration & geological consulting	3,676,156	558,230	1,860,606	-	6,094,992
Other expenditures	379,123	118,848	24,593	3,748	526,312
Permitting, environment, social	2,637,937	3,524,995	214,453	1,359,267	7,736,652
Government grants ⁽¹⁾	(758,620)	(11,970,451)	(153,535)	(2,389,130)	(15,271,736)
Year ended					
December 31, 2025	\$25,433,508	\$12,328,115	\$6,190,527	\$935,934	\$44,888,084

⁽¹⁾ Government grants for Mactung were claimed from the United States Department of War DPA Title III, while grants for PNCII were claimed under CMIF from NRCAN (see Note 4). Amounts for Macpass were claimed from Supercluster (see Note 4). Grants for Gayna were claimed from the Government of Northwest Territories' Mining Incentive Program.

Macpass Project, Yukon, Canada

Summary of Property Acquisitions and Royalties

The Macpass 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 by Fireweed at any time for \$5,250,000. There are no underlying royalties on the Tom claims.

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6. Exploration and Evaluation Assets and Expenses (cont'd)

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 royalty holders are entitled to a contingent 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 a contingent 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 has 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. There is also a pre-existing third party 2% NSR royalty on any future cobalt production from the BR and NS claims.

Fireweed holds a 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 all metal production from the Sol property, of which 1% may be purchased by Fireweed for \$2,000,000.

Fireweed holds a 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.

Fireweed holds a 100% interest in various claims comprising the Harvest claims, acquired from Strategic Metals Limited ("Strategic Metals") on January 15, 2025. Strategic Metals retained an NSR royalty of 0.5% on base metals and silver, and 2% on gold from future production at the Harvest claims. Fireweed has the right to purchase one-half of these NSR royalties for \$1,000,000. As consideration for the claims the Company paid \$150,000 and issued 147,888 common shares with a corresponding value of \$210,000 (Note 12).

Mactung Project, Yukon/NWT, Canada

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 Mactung.

Summary of Mactung Acquisition Terms

Under the terms of the agreement, Fireweed purchased Mactung for \$5,000,000 plus a commitment to make additional payments totaling \$10,000,000, 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);

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Notes to the Consolidated Financial Statements
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6. Exploration and Evaluation Assets and Expenses (cont'd)

3. \$5,000,000 upon Fireweed announcing its intention to construct a mine on either Mactung or any portion of the mineral property interests controlled by Fireweed in the Yukon, commonly known as Macpass (not yet due); and
4. \$5,000,000 upon Fireweed announcing its intention to construct a mine on Mactung (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, 2024, the Company recorded \$317,796 to finance expense on purchase obligation before the balance of the purchase obligation was paid.

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

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

PNCII PROJECT

On August 26, 2025, the Company signed a Contribution Agreement with NRCan to support planning for infrastructure improvements in the existing North Canol highway corridor in the Yukon, the key overland access route to Fireweed's critical mineral projects at Macmillan Pass near the Yukon and Northwest Territories border. The agreement provides up to \$12.9M of funding for Fireweed to advance planning for regional road and transmission line infrastructure improvements proposed as the PNCII project.

As part of this agreement signed with NRCan, Fireweed will lead preliminary road and transmission line engineering designs within the existing road right-of-way, prepare and submit required environmental and socio-economic assessments and work toward multi-party agreements with federal, territorial, and Indigenous governments that enable the following future improvements:

- Upgrades to approximately 250 kilometres of existing roads from Ross River to Fireweed's Macpass and Mactung Projects;
- Upgrades to an existing transmission line from 25 kV to 138 kV between Faro and Ross River; and
- Construction of a new 138 kV transmission line from Ross River to Macmillan Pass.

The Company is actively progressing the PNCII Project via various engineering and environmental studies, as well as discussions with the requisite permitting authorities. The Company is also engaged in discussions with various stakeholders and rights-holders of the PNCII project.

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Notes to the Consolidated Financial Statements
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7. Equipment and Right of Use Assets

	Site Infrastructure	Exploration Equipment	Other Equipment	ROU Camp Equipment	ROU other	Total
Cost						
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
Additions	760,621	-	158,437	-	-	919,058
As at December 31, 2025	\$1,164,825	\$1,451,083	\$347,040	\$294,243	\$772,168	\$4,029,359
Accumulated Depreciation						
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)
Depreciation expense	(139,162)	(203,156)	(39,070)	(43,695)	(96,521)	(521,604)
As at December 31, 2025	(159,372)	(559,028)	(155,403)	(120,163)	(772,168)	(1,766,134)
Net book value						
As at December 31, 2024	383,994	1,095,211	72,270	217,775	96,521	1,865,771
As at December 31, 2025	\$1,005,453	\$892,055	\$191,637	\$174,080	\$-	\$2,263,225

8. Accounts Payable and Accrued Liabilities

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

	December 31, 2025	December 31, 2024
Payable to related parties (Note 14)	\$632,100	\$370,903
Trade payables	2,736,067	2,338,882
Total accounts payable and accrued liabilities	\$3,368,167	\$2,709,785

9. 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 had a purchase option of \$1 at the conclusion of the 24-month lease period (exercised) 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, 2025	December 31, 2024
Balance, beginning of year	\$314,275	\$756,897
Lease payments	(185,734)	(509,630)
Interest expense	24,136	67,008
Balance, end of year	152,677	314,275
Less: current portion of lease liability	(62,825)	(161,596)
Non-current portion of lease liability	\$89,852	\$152,679

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9. Lease Liability (cont'd)

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, 2025	December 31, 2024
Less than 1 year	\$77,766	\$185,733
1 to 3 years	97,207	174,973
Total minimum lease payments	174,973	360,706
Less imputed interest	(22,296)	(46,431)
Total lease obligation	152,677	314,275
Current portion of lease obligation	(62,825)	(161,596)
Non-current portion of lease liability	\$89,852	\$152,679

10. 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, 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
Liability incurred on flow-through shares issued	15,715,920
Flow-through issuance costs	(953,280)
Settlement of flow-through liability on incurred expenditures	(12,073,531)
Balance at December 31, 2025	\$3,978,555

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 were incurred by April 30, 2025.

During the year ended December 31, 2025, the Company incurred flow-through expenditures of \$37,267,642. Therefore, \$12,803,773 of flow-through premium and \$730,242 of flow-through related share issuance costs were recognized on the statement of loss and comprehensive loss, resulting in a \$3,978,555 flow-through liability balance at December 31, 2025. The remaining flow-through expenditures must be incurred by December 31, 2026.

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11. Rehabilitation Provision

The Company has estimated the present value of future rehabilitation costs required to remediate the Macpass, Mactung, and Gayna 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, 2025 was \$1,624,326 (2024 – \$878,182). The calculation of present value of estimated future cash flows assumed a discount rate of 3.24% (2024 – 3.39%) and an inflation rate of 2.00% (2024 – 2.24%). Rehabilitation costs are estimated to be settled during 2028 through 2040.

Balance, December 31, 2023	\$589,088
Change in estimate	229,811
Accretion	25,333
Balance, December 31, 2024	844,232
Change in estimate	534,155
Accretion	27,944
Balance, December 31, 2025	\$1,406,331

12. 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, 2025, the Company had 210,875,392 (2024 – 181,299,504) common shares issued and outstanding.

Transactions for year ended December 31, 2025

On June 25, 2025, the Company closed a private placement financing for gross proceeds of \$5,624,033. The financing consisted of 3,124,463 common shares of the Company at a price of \$1.80 per share.

On May 28, 2025, the Company closed a private placement financing for gross proceeds of \$54,378,727. The financing consisted of 4,653,337 common shares of the Company at a price of \$1.80 per share, 4,281,000 non-critical mineral flow-through common shares sold to charitable purchasers at a price of \$2.57 per share, and 12,545,000 critical mineral flow-through common shares sold to charitable purchasers at a price of \$2.79 per share. The Company recorded a flow-through premium of \$15,715,920 in connection with the private placement. The Company incurred total share issuances costs of \$2,902,470 of which \$953,280 was allocated to the flow-through premium.

On January 15, 2025, the Company issued 147,888 common shares of the Company at a price of \$1.42 per share with a fair value of \$210,000 for the acquisition of various claims from Strategic Metals (see Note 6).

During the year ended December 31, 2025, the Company issued 4,224,200 common shares pursuant to the exercise of stock options for proceeds of \$3,407,908. The Company re-allocated \$1,924,125 in option value from option reserve to capital stock.

During the year ended December 31, 2025, the Company issued 600,000 common shares and recognized share-based compensation expense of \$60,000 pursuant to the exercise of performance shares (see Note 18).

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12. Capital Stock and Reserves (cont'd)

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 (see Note 18).

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 number 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. Options 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, December 31, 2023	11,982,600	\$0.84
Granted	3,520,000	1.18
Exercised	(2,076,000)	0.77
Expired or forfeited	(1,293,600)	0.93
Balance, December 31, 2024	12,133,000	0.94
Granted	3,938,475	1.58
Exercised	(4,224,200)	0.81
Expired	(288,000)	0.58
Balance, December 31, 2025	11,559,275	\$1.21

The Company recorded share-based compensation expense of \$3,201,868 (2024 - \$2,406,174) during the year ended December 31, 2025. Of the total share-based compensation expense, \$3,141,868 (2024 - \$2,286,174) relates to the vesting of previously granted options using the Black-Scholes option pricing model, and \$60,000 (2024 - \$120,000) relates to the issuance of performance shares (see Note 18).

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12. Capital Stock and Reserves (cont'd)

As at December 31, 2025, 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
07/07/2026	465,000	465,000	0.51	0.80
09/02/2027	1,186,000	1,186,000	1.67	0.55
09/21/2027	190,000	190,000	1.72	0.59
02/27/2028	112,000	112,000	2.16	0.85
06/20/2028	2,003,800	2,003,800	2.47	1.01
07/05/2028	48,000	28,000	2.51	1.11
08/24/2028	400,000	320,000	2.65	1.70
09/12/2028	56,000	8,000	2.70	1.42
06/25/2029	3,160,000	1,820,000	3.48	1.18
01/17/2030	350,000	70,000	4.05	1.42
01/30/2030	2,595,000	-	4.08	1.48
02/27/2030	145,475	-	4.16	1.63
04/24/2030	798,000	-	4.31	1.85
09/25/2030	50,000	-	4.73	2.98
	11,559,275	6,202,800	3.15	\$1.21

The weighted average fair value of stock options granted during the year ended December 31, 2025 of \$0.88 (2024 - \$0.69) was estimated using the Black-Scholes option pricing model with the following weighted average assumptions:

	2025	2024
Stock price	\$1.57	\$1.18
Exercise price	\$1.58	\$1.18
Risk-free interest rate	2.80%	3.41%
Expected life	5.0 years	5.0 years
Expected volatility	64.95%	67.23%
Expected dividends	Nil	Nil

Expected volatility is based on the Company's historical volatility.

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, 2023	2,932,454	\$0.61
Exercised	(2,854,669)	0.60
Expired	(77,785)	1.04
Balance as at December 31, 2024 and 2025	-	\$ -

As at December 31, 2025, the Company does not have any outstanding share purchase and agents' warrants.

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13. Income Tax

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

	2025	2024
Net loss before income tax	(\$41,745,920)	(\$34,661,534)
Expected income tax recovery	(11,271,000)	(9,359,000)
Permanent difference	(3,110,000)	(2,081,000)
Impact of flow through shares	10,083,000	7,039,000
Share issuance costs	(784,000)	(128,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	15,000	18,000
Change in unrecognized deductible temporary differences	5,067,000	4,511,000
Total income tax expense	\$-	\$-

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

	2025	2024
Exploration and evaluation assets	\$9,726,000	\$6,948,000
Property and equipment, and other	550,000	335,000
Share issue costs	789,000	200,000
Non-capital losses available for future period	7,779,000	6,294,000
Net unrecognized deferred tax assets	\$18,844,000	\$13,777,000

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:

	2025	Expiry Dates	2024	Expiry Dates
Exploration and evaluation assets	\$36,020,000	No expiry date	\$25,732,000	No expiry date
Property and equipment, and other	2,038,000	No expiry date	1,240,000	No expiry date
Share issue costs	2,924,000	2046-2049	740,000	2045-2048
Non-capital losses	28,812,000	2035-2045	23,312,000	2035-2044

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

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14. 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 certain 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, 2025, and 2024 was as follows:

Nature of the transaction	2025	2024
Director and committee fees	\$402,639	\$350,614
Management and consulting fees	1,285,124	1,613,848
Management and consulting fees related to exploration and evaluation	362,084	235,303
Share-based compensation	1,773,172	735,070
Total remuneration to key management personnel	\$3,823,019	\$2,934,835

During the year ended December 31, 2025, the Company paid \$8,228 (2024 - \$156,962) 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, and ceased to be related parties effective January 17, 2025.

During the year ended December 31, 2025, the Company paid \$94,871 (2024 - \$91,628) 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, and ceased to be related parties effective February 27, 2025.

The following amounts were owed to 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, 2025	December 31, 2024
Director and committee fees	\$ -	\$255,754
Management and consulting fees	515,100	115,149
Management and consulting fees related to exploration and evaluation	117,000	-
	\$ 632,100	\$370,903

15. 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.

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16. 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, 2025.

17. 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 and permitting bonds, and accounts payable and accrued liabilities, 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, 2025, the Company had a cash balance of \$25,708,243 to settle current liabilities of \$7,409,547. The Company believes it has sufficient funds to meet its current liabilities as they become due.

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17. Financial Instruments and Risk Management (cont'd)

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. Additionally, the Company will fund portions of its planned work programs with funding provided by the United States of America's DPA Title III and the 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, 2025 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

Foreign currency risk is the risk that the fair value of the Company's assets and liabilities will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in its functional currency. The Company does not manage currency risk through hedging or other currency management tools. As of December 31, 2025, the Company holds US\$7,284,099 (2024 – US\$256,671) in cash while owing US\$nil (2024 - US\$339,205) as part of its accounts payable and accrued liabilities. As at December 31, 2025, a 5% change in the US dollar against the Canadian dollar would result in a \$499,179 (2024 - \$42,870) impact on the net loss to the Company.

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18. 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 was eligible to 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, during the year ended December 31, 2025, the Company issued 600,000 common shares to former directors of the Company (2024 – 1,200,000). During the year ended December 31, 2025, share-based compensation expense of \$60,000 (2024 - \$120,000) was recorded upon the issuance of the common shares.

As at December 31, 2025, under the performance shares agreement, a total of 2,100,000 common shares have been issued, 300,000 common shares are issuable upon request from the founder/director, 1,200,000 common shares will be issuable upon the achievement of either one of the final two milestones and 400,000 performance shares have been canceled.

As of December 31, 2025, the Company has 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 \$35,100 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.

19. Subsequent Events

On January 22, 2026, the Company granted stock options exercisable into 3,673,600 common shares in the Company to certain officers, employees, and consultants of the Company. The stock options are exercisable at a price of \$3.14 per share for a five-year term.

Subsequent to December 31, 2025, 1,286,333 stock options have been exercised for proceeds of \$1,187,783.

On February 9, 2026, the Company signed a comprehensive Exploration and Collaboration Agreement with the Ross River Dena Council relating to Fireweed's Mactung and Macpass critical mineral projects, located within the Ross River Area of the Kaska Nation Traditional Territory in the Yukon.