

**FIREWEED METALS CORP.**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**For the Nine Months Ended September 30, 2023**

**NOTE TO READER**

This Management's Discussion and Analysis ("MD&A") is for the period ended September 30, 2023 of Fireweed Metals Corp. ("Fireweed" or the "Company") prepared as at November 24, 2023 and should be read in conjunction with the Company's interim consolidated financial statements for the periods ended September 30, 2023 and 2022. All financial information in this MD&A and all dollar amounts are in Canadian dollars unless otherwise noted. Additional information relating to the Company is available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR+) at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company's website: [www.fireweedmetals.com](http://www.fireweedmetals.com).

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the MD&A, is complete and reliable.

This document contains forward-looking statements. Please refer to "Note Regarding Forward-Looking Statements".

**DESCRIPTION OF BUSINESS**

Fireweed is a public mineral exploration company managed by an experienced and successful team of mining industry professionals.

*Our Projects*

The Company explores and develops critical mineral projects through progressive leadership, innovation and collaboration. The Company has three critical mineral projects in northern Canada:

- The 100% owned Macmillan Pass ("Macpass") Project (Yukon), one of the world's largest undeveloped zinc-lead-silver resources<sup>1</sup>.
- The Mactung Project (Yukon/NWT), the world's largest, high-grade tungsten deposit<sup>1</sup>.
- The 100% owned Gayna property (NWT) which is host to extensive zinc-lead-silver (-gallium-germanium) mineralization.

The Company is advancing its large Macpass Project in Yukon, Canada, which is host to the Tom and Jason zinc-lead-silver deposits with current mineral resources and a preliminary economic study ("PEA"), as well as the Boundary Zone, Tom North Zone and End Zone which have significant zinc-lead-silver mineralization drilled but not yet classified as mineral resources. The Project also includes large blocks of adjacent claims with known showings and upside exploration potential.

During the second quarter, the Company closed the definitive asset purchase agreement for the Mactung Project which includes the large, high grade Mactung tungsten deposit. The Mactung property is located immediately adjacent to the Macpass property and is accessed from the same road and airstrip. An updated mineral resource estimate for Mactung was announced in the third quarter.

In 2022 the Company staked the Gayna Project which is host to extensive zinc-lead-silver (-gallium-germanium) mineralization located 180 kilometres north of the Macpass property.

*Corporate History*

The Company was incorporated on October 20, 2015 and commenced business at that time. The Company's

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<sup>1</sup> References to relative size and grade of the Mactung resources and Macpass resources in comparison to other tungsten and zinc deposits elsewhere in the world, respectively, are based on review of the Standard & Poor's Global Market Intelligence Capital IQ database.

business is to operate as a mineral exploration and development company. Fireweed completed its initial public offering (the “IPO”) on May 29, 2017 and commenced trading on the TSX Venture stock exchange (the “Exchange”) as a Tier 2 issuer under the name Fireweed Zinc Ltd. and the symbol FWZ. On November 29, 2021, the Company commenced trading on the OTCQB® Venture Exchange in the USA under the symbol FWEDF. On June 30, 2022, the Company changed its name from ‘Fireweed Zinc Ltd.’ to ‘Fireweed Metals Corp.’ to reflect its expanded portfolio of critical minerals projects beyond zinc. The Company is incorporated in Yukon, extra-provincially registered in British Columbia and is a reporting issuer in British Columbia, Yukon, Ontario and Alberta. To date, equity financings have provided the main source of financing.

The recovery of the Company’s investment in its projects will depend upon the discovery and definition of economically recoverable mineral reserves and the ability to raise sufficient capital to finance mining operations. The ultimate outcome of these operations cannot presently be determined because they are contingent on future matters.

## **OVERALL PERFORMANCE AND HIGHLIGHTS**

During the three months ended September 30, 2023, the Company reported the following:

- On July 5, 2023, the Company announced commencement of a three-week greenfield gold exploration program on the Macpass and Mactung claims to explore anomalous areas with potential for intrusion related gold mineralization similar to significant nearby gold discoveries.
- On July 26, 2023, the Company announced first assays from the 2023 drill program at Boundary Zone including 71.9 metres grading 6.48% zinc, 3.09% lead and 97.8g/t silver connecting the Boundary Main and Boundary West Zones into one larger “Boundary Zone” through a high-grade feeder zone.
- On July 28, 2023, the Company announced filing of the updated Mactung Mineral Resource report in follow up to the June 13, 2023 news release.
- On August 10, 2023, the Company announced a non-brokered private placement consisting of 8,750,000 flow-through common shares of the Company for gross proceeds of \$16,800,000, with lead orders from the Lundin family, Larry Childress, and other key shareholders. On September 1, 2023 the Company announced closing of the private placement.
- On August 22, the Company announced further assays from the 2023 drill program at Boundary Zone including 118.0 m of 15.1% zinc, 2.8% lead, and 85.8 g/t silver and also 82.5 m of 11.9% zinc, 2.2% lead and 81.2 g/t silver; multiple zones of high-grade mineralization in single drillhole.
- On August 24, 2023, the Company announced the appointment of Alex Campbell as Vice President of Corporate Development.
- On September 12, 2023, the Company announced the appointment of Patrick G. Downey to the Board of Directors.

Subsequent to the quarter ended September 30, 2023, the following events have taken place:

- On October 5, 2023, the Company announced completion of a ground gravity geophysics survey on the Gayna project.
- On October 24, 2023, the Company announced further assays from the 2023 drill program at Boundary Zone including 81.3 m of 8.5% zinc, 1.1% lead, and 47.0 g/t silver, including 12.4 m of 17.2% zinc, 2.0% lead, and 79.1 g/t silver.
- the Company issued 205,363 common shares pursuant to the exercise of warrants for gross proceeds of \$123,957.

## **MACMILLAN PASS (“MACPASS”) PROJECT**

The Macpass property encompasses 940 km<sup>2</sup> of contiguous mineral claims located 200 km northeast of the settlement of Ross River in the eastern Yukon Territory of Canada. It is host to the large Tom and Jason shale-hosted zinc-lead-silver deposits as well as the Boundary Zone, Tom North Zone and End Zone which have significant mineralization drilled but not yet classified as mineral resources. The property also includes large blocks of 100%-owned adjacent claims (Mac, MC, MP, Jerry, BR, NS, Oro, Sol, Ben and Stump) which cover exploration targets in the district where previous and recent work identified zinc, lead, silver and gold prospects, and geophysical and geochemical anomalies in prospective host geology. The Company has a large camp near the Tom deposit which is accessible via the North Canol Road from the community of Ross River and via a local airstrip.

The Tom and Jason deposits are located in the Selwyn Basin and hosted in Devonian-age Lower Earn Group sedimentary rocks. Zinc-lead-silver sulphide-barite mineralization typically occurs in thick stratiform lenses and extends for 1,200 meters along strike and 450+ meters down dip. The Boundary Zone is different and consists of veins, stockworks, disseminations, massive sulphide, and replacement sulphide mineralization as well as multiple horizons of stratiform mineralization in Devonian-age Lower Earn Group and Silurian-age Road River Group sedimentary rocks. The main economic minerals are sphalerite and galena.

The Tom and Jason sites have a Class 4 Land Use Permit, the Boundary Zone has a Class 3 Land Use Permit, and the Tom site a Type B Water Licence. A Class 1 Notification is obtained annually for work programs beyond these Class 3 and 4 permit areas. Environmental water monitoring of the Tom site has been ongoing since 2000 (see *Environment* section below for additional information). The property is located in the traditional territories of the Kaska Dena and First Nation of Na-Cho Nyäk Dun. The Company employs workers and contracts service providers from the nearest community of Ross River for the exploration program (see *Community and First Nations* section below for additional information).

### *Summary of Macpass Property Acquisitions*

The Macpass property comprises multiple claim blocks that were acquired and consolidated over several years by Fireweed into the current large 940 km<sup>2</sup> Macpass property. Summaries of the underlying claim blocks/properties and royalties are described below.

Fireweed holds 100% interest in the 361 claims of the Tom and Jason property. The Jason claims have a third party underlying 3% net smelter return royalty (“NSR”) which can be bought out at any time for \$5,250,000. There are no underlying royalties on the Tom claims.

Fireweed holds 100% interest in the 372 claims of the Nidd property which includes the Boundary Zone. Teck Corp. retained a 1% NSR royalty and a right of first offer to purchase future production concentrates from the Nidd property.

Fireweed holds 100% interest in the 820 claims of the Mac property. Triple Flag Precious Metals Corp. holds production royalties 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 from the Mac property.

Fireweed holds 100% interest in the 333 MC, 74 MP and 217 Jerry claims. Vendors Epica Gold Inc. (“Epica”) and Carlin Gold Corporation (“Carlin”) together retained 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, and are entitled to one additional payment of \$750,000 or equivalent in Fireweed shares at the Company’s option, upon receiving a resource calculation of at least 2 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 by Epica and/or Carlin. As of September 2022, Epica became a subsidiary company of Onyx Gold Corp.

Fireweed holds 100% interest in the 326 BR claims and 333 NS claims. Vendor Golden Ridge Resources Ltd. retained 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, and is entitled to one additional payment of \$750,000 or equivalent in Fireweed shares at the Company’s option, upon receiving a resource calculation of at least 2 million tonnes of

indicated (or better) resource on any part of the BR or NS claims. Fireweed will have the right to purchase one-half of these NSR royalties for \$2,000,000 at any time prior to the commencement of commercial production. Fireweed maintains a right of first refusal on the sale of any NSR royalty from these claims by Golden Ridge. There is also a pre-existing third party 3% NSR royalty on any future cobalt production from the BR and NS claims.

Fireweed holds 100% interest in the 410 claims of the Sol property and several small nearby separate claim blocks (Ben, NC, Stump, Bach). Vendor QuestEx Gold & Copper Ltd. ("Questex") retained production royalties of 0.5% NSR on all base metals and silver, and 2% NSR on all other metals including gold, which may be mined from these properties. There is an additional third-party royalty consisting of a 2% NSR on production from the Sol, Stump and Bach claims of which 1% may be extinguished for \$2,000,000. On June 1, 2022, Questex was acquired by and became a subsidiary company of Skeena Resources Limited (TSX:SKE).

Fireweed holds 100% interest in the 1,582 claims of the Oro property covering 318km<sup>2</sup> on the western extension of the Macpass District. Vendors Cathro Resources Corp. and Cazador Resources Ltd. together retained a 0.5% NSR production royalty on all base metals and silver, and 2% NSR on all other metals including gold, which may be mined from the Oro property.

Titles to all these claims have been transferred and registered to the Company.

### ***Tom-Jason Mineral Resources and PEA***

#### ***Tom-Jason Mineral Resource Report***

Based on the 2017 drill results along with historic core re-sampling results and compilation of historic data, the Company announced updated NI43-101 mineral resources for the Tom and Jason deposits on January 10, 2018 which were substantially larger than historically reported resources. The updated base case resources were as follows:

**Table 1: Base Case Tom+Jason Mineral Resource Estimates** (at NSR cutoff grade of \$65)

<b>Category</b>	<b>Tonnes (Mt)</b>	<b>ZnEq %</b>	<b>Zn %</b>	<b>Pb %</b>	<b>Ag g/t</b>	<b>B lbs Zn</b>	<b>B lbs Pb</b>	<b>MOz Ag</b>
Indicated	11.21	9.61	6.59	2.48	21.33	1.63	0.61	7.69
Inferred	39.47	10.00	5.84	3.14	38.15	5.08	2.73	48.41

Details and supporting information are provided in the NI43-101 Technical Report posted on [www.sedarplus.ca](http://www.sedarplus.ca) and in the Company's news release, both dated January 10, 2018. Additional mineralization subsequently drilled at Boundary Zone, Tom North Zone and End Zone as well as additional drill holes at Tom and Jason will be considered in a future mineral resource update.

#### ***Tom-Jason Preliminary Economic Assessment Report***

On May 23, 2018, the Company announced the positive results of an independent NI43-101 Preliminary Economic Assessment ("PEA") for the Tom and Jason deposits prepared by JDS Energy and Mining, Inc. ("JDS") with work on tailings and water by Knight Piesold Consulting, both of Vancouver, Canada utilizing the 2018 mineral resources of Table 1.

#### **Production and Economic Highlights:**

- Long mine life and large-scale production:
  - 18-year mine life with 32.7Mt of mineralization mined at 4,900 tonne-per-day average processing rate.
  - 1.54Mt of zinc, 0.88Mt of lead, and 37Moz of silver in concentrate shipped.
  - Average yearly contained-metal production of 85kt zinc, 48kt lead and 2Moz silver.
- Positive economics using metals prices of \$1.21/lb Zn, \$0.98/lb Pb, and \$16.80/oz Ag:
  - Pre-Tax NPV at 8% of \$779,000,000 and IRR of 32%.

- After-Tax NPV at 8% of \$448,000,000 and IRR of 24%.
- Manageable CAPEX and rapid payback:
  - Pre-production CAPEX of \$404,000,000. CAPEX includes a total of \$100,000,000 for upgrading to a production-suitable access road to the property.
  - Payback period of 4 years.
  - Starter-pits on Tom West and Jason Main zones reduce up-front capital.
  - On March 3, 2020 the Company announced that the Yukon Government and the Ross River Dena Council First Nation had reached an Agreement in Principle on \$71,000,000 in road upgrades which, in part, included upgrading of the property access road. This reduces the CAPEX requirements for road upgrades envisioned in the 2018 PEA
- Significant Upside
  - Numerous opportunities for significant economic improvement.
  - Known zones remain open for expansion, including into high-grade areas.
  - Highly prospective and large land package with untested exploration targets.
  - Not included in this PEA study are the Boundary Zone, Tom North Zone and End Zone as well as new step out holes at Tom and Jason which have significant zinc-lead-silver mineralization drilled after the PEA study was completed, but not yet classified as mineral resources.

Details and supporting information are provided in the NI43-101 PEA Technical Report dated July 6, 2018 (effective date May 23, 2018) posted on the Company website, <https://fireweedmetals.com>, [www.sedarplus.ca](http://www.sedarplus.ca), and in the Company's news release dated May 23, 2018.

Additional mineralization subsequently drilled at Boundary Zone, Tom North Zone and End Zone as well as additional drill holes at Tom and Jason will be considered in a future updated PEA.

#### *Macpass Exploration*

The 2023 drill program is now complete. It was the largest drill program in the history of the Company to date utilizing five drills. The main focus was step out drilling on the Boundary Zone with additional drill holes at the Tom deposit, Jason deposit and a greenfields exploration target. Drill results to date are described above and in the relevant 2023 news releases. Results from many other holes are pending.

#### **MACTUNG PROJECT**

The 37.6 km<sup>2</sup> Mactung property hosts the large, high grade Mactung tungsten deposit and is located adjacent to the Macpass property with access from the same road and airstrip. It is an advanced stage project with extensive historic drilling, engineering, metallurgy, geotechnical, and environmental baseline data collected by previous operators. The property is located in the traditional territories of the Kaska Dena and First Nation of Na-Cho Nyäk Dun, and the Sahtú Settlement Area.

During the second quarter, Fireweed closed the definitive Asset Purchase Agreement for acquisition of 100% interest in the Mactung tungsten project. Later in the second quarter, the Company announced updated Mineral Resources for the Mactung Project totaling 41.5 Mt Indicated at 0.73% WO<sub>3</sub> and 12.2 Mt Inferred at 0.59% WO<sub>3</sub>; the largest high-grade tungsten deposit in the world (see Fireweed news release dated June 13, 2023 for details and Qualified Person statement). On June 20, 2023, the Company announced plans for the Mactung Project which included a preliminary economic assessment ("PEA"), a metallurgical test program, and environmental and field studies to bolster understanding of key project components. During the 2023 field season, the Company carried out a small drill program at Mactung to obtain core samples for metallurgical testing; results are pending.

In mid-2014, the Yukon Environmental and Socio-economic Assessment Board issued a positive screening report for the project and recommended it proceed without review, subject to terms and conditions. The Federal and Yukon governments subsequently varied certain terms and conditions, as documented in each Decision Document, which provided direction to advance licence applications. The Mactung Project also has a Class 4 Mining Land Use Permit which allows for advanced exploration work.

Tungsten skarn mineralization at Mactung is mostly scheelite (CaWO<sub>4</sub>) and is dominated by calcic mineral assemblages associated with abundant pyrrhotite that developed within permeable limestone units of the Cambrian-Ordovician host rocks near the contact with a Cretaceous-age granite intrusion. Historic work by previous operators included 38,000 metres of drilling and at least 1,200 metres of underground lateral workings.

#### *Summary of Mactung Acquisition Terms*

Fireweed acquired the Mactung Project under terms of a definitive Asset Purchase Agreement signed with the Government of the Northwest Territories ("GNWT") (see Fireweed news releases dated February 28, 2023 for details). Under the terms of the agreement, Fireweed purchased the Mactung Project for C\$5,000,000 plus a commitment to make additional payments totaling C\$10,000,000 staged as follows:

1. Fireweed pays the GNWT the sum of \$1,500,000 upon execution of the binding LOI (paid);
2. Fireweed will pay the GNWT an additional \$3,500,000 within 18 months after closing of the definitive agreement and transfer of the Mactung assets to Fireweed (payment due on or before November 3, 2024).
3. Fireweed will pay to GNWT an additional \$5,000,000 upon Fireweed announcing its intention to construct a mine on either the Mactung Project or any portion of the mineral property interests controlled by Fireweed in the Yukon, commonly known as the Macmillan Pass project; and
4. Fireweed will pay the GNWT an additional \$5,000,000 upon Fireweed announcing its intention to construct a mine on the Mactung Project.

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

#### **GAYNA RIVER PROJECT**

In 2022, Fireweed acquired the 128.75 km<sup>2</sup> Gayna claims at low cost through staking. The Gayna property is located 180 kilometres north of the Macpass property. It lies within the Sahtú Settlement Area, the Gwich'in Settlement Area, and the asserted territory of the First Nation of Na-Cho Nyäk Dun.

The property is host to extensive critical minerals mineralization including zinc, gallium and germanium as well as lead and silver. Mineralization occurs as veins and breccias in carbonate rocks similar to Mississippi-Valley-Type (MVT) mineralization, or Irish-type zinc-lead mineralization. Sphalerite and minor galena occur as infill within veins, vugs, and breccias along with dolomite-calcite-quartz-pyrite. Historic grab samples contain elevated concentrations of the critical metals gallium (up to 68 ppm) and germanium (up to 15.6 ppm). An extensive area of mineralization was outlined by 28,000 metres of wide-spaced, historic drilling but recent studies indicate potential for high grade massive sulphide targets not recognized by previous operators.

The 2023 Gayna field program consisted of ground gravity geophysics, and data is being interpreted toward defining drill targets.

For more details on the Company and its projects, see Fireweed's NI43-101 technical reports and news releases posted on the Company's website at <https://fireweedmetals.com> or at [www.sedarplus.ca](http://www.sedarplus.ca).

*Leon McGarry, P.Geo., Senior Resource Geologist for CSA Global Canada Geosciences Ltd. at the time, is independent of Fireweed Metals Corp. and a 'Qualified Person' as defined under Canadian National Instrument 43-101. Mr. McGarry is responsible for the Tom and Jason Mineral Resource Estimate and directly related information in this MD&A.*

*Michael Makarenko, P.Eng., Project Manager for JDS Energy and Mining, Inc., is independent of Fireweed Metals Corp. and a 'Qualified Person' as defined under Canadian National Instrument 43-101. Mr. Makarenko is responsible for the Tom and Jason PEA results and directly related information in this MD&A.*

*Brandon Macdonald, P. Eng., CEO & Director of Fireweed Metals Corp., and a Qualified Person under the meaning of Canadian National Instrument 43-101, approved the other technical information (information not directly related*

*to the Tom and Jason Mineral Resource Estimate or the PEA, nor the Mactung Mineral Resource Estimate) in this MD&A.*

## **HEALTH AND SAFETY**

Fireweed embeds in every business aspect, our core value of respect, for both the environment in which we work and the people we work with. Fireweed is committed to sustaining a safe and healthy work environment for the well-being of all personnel. Fireweed focuses on leading with integrity, striving for consistency in words and actions, being honest, transparent, and accountable, mitigating health and safety risks, and being progressive and innovative while promoting environmental and social stewardship. Systems and programs are implemented and followed to identify, eliminate, or control workplace hazards. All incidents, injuries, and potentially unsafe conditions must be reported immediately to a supervisor or manager, and corrective measures taken.

Our comprehensive and protective health and safety protocols that have allowed the Company to maintain a safe workplace in years past, continue to apply and improve. Every person arriving at our work site is first taken through a health and safety orientation before any other activity commences. Every morning begins with daily safety “toolbox” meetings and weekly safety meetings to re-enforce a safety-first mindset. We emphasize that safety is the responsibility of everyone on site. We have highly trained first aid personnel in camp with a dedicated and well equipped first aid facility, and protocols to guide timely medical evacuations by air to a hospital if required.

Our excellent safety record over successive annual exploration programs is the result of prioritizing and instilling a culture of safety first in every person at our work site and constantly seeking to improve our health and safety protocols and procedures.

## **ENVIRONMENT**

Fireweed is committed to executing work programs that are effectively governed, ecologically and culturally conscious, and socially beneficial. This means protecting the natural environment and respecting its users and traditional land stewards in accordance with regulatory and project-specific requirements and agreements. Through the implementation of standard management practices and mitigation, we aim to avoid or reduce potential impacts. Our exploration activities are conducted in compliance with project-specific approvals, laws, regulations and other legal requirements applicable in the regions in which we operate.

The Tom and Jason properties have a Class 4 Land Use Permit, the Boundary Zone area has a Class 3 Land Use Permit, the Tom site a Type B Water Licence, and a Class 1 Notification is obtained annually for work programs beyond these Class 3 and Class 4 areas. Historic infrastructure (associated with development of an historic exploration adit to obtain a bulk mineral sample) has been closed and reclaimed by previous operator, Hudbay, and Fireweed continues to monitor to ensure that closure measures are functioning as designed.

Fireweed has previously conducted routine environmental monitoring and completed heritage assessments and wildlife studies in accordance with regulatory requirements and guidance for exploration activities. During the first quarter, Fireweed began continuous, year-round, field-based environmental baseline studies to support project planning and impact assessment activities to progress toward project approvals for construction and production at both Macpass and Mactung.

## **COMMUNITY AND FIRST NATIONS**

Fireweed respectfully acknowledges that the lands on which we currently study and explore are within the asserted traditional territories of Indigenous Peoples. Fireweed is committed to engaging and consulting with Indigenous groups and local communities in a respectful and culturally appropriate manner to further understand their interests, perspectives, and ensure meaningful participation.



The Macpass property is located within Kaska Dena Nation and First Nation of Na-Cho Nyäk Dun traditional territories. The Mactung property is located adjacent to the Macpass property in the traditional territories of the Kaska Dena and First Nation of Na-Cho Nyäk Dun, and the Sahtú Settlement Area. The Gayna property is located in the Sahtú Settlement Area, the Gwich'in Settlement Area, and the asserted territory of the First Nation of Na-Cho Nyäk Dun.

The nearest community to the Macpass and Mactung projects is the Kaska community of Ross River (population 400) located 200 kilometers to the southwest. There are no permanent settlements at or near the project sites but there are a small number of seasonal temporary use hunter and trapper cabins, none of which are in the immediate vicinity of the known mineralized zones.

In 2023, Fireweed continued to employ skilled and new workers from local communities. A total of approximately 300 employees and contractors are expected to support our June to October exploration and study programs, with many individuals returning from prior seasons. Fireweed is grateful for the continued support of local and Indigenous-owned businesses this past field season, as well as Dena Nezziddi (Ross River Dena Council development corporation) for their involvement with infrastructure acquisitions including a 50-person camp and a solar/battery power system.

Fireweed is committed to maintaining a workplace environment that respects all individuals and provides equal employment opportunities based on merit. Workplace diversity and fostering a culture of inclusion, equity and respect in every aspect of our business is a key focus.

## **FINANCING AND CORPORATE DEVELOPMENT**

### **SELECTED ANNUAL INFORMATION**

The following table summarizes selected financial data for the three recent fiscal years, ended December 31, 2022, 2021 and 2020, and should be read in conjunction with such financial statements, prepared in accordance with International Financial Reporting Standards ("IFRS") and the related notes thereon:

<b>Item</b>	<b>Fiscal Year Ended December 31, 2022</b>	<b>Fiscal Year Ended December 31, 2021</b>	<b>Fiscal Year Ended December 31, 2020</b>
Revenues	\$ nil	\$ nil	\$ nil
Expenses	16,773,103	9,685,621	6,414,637
Net Loss	13,535,401	8,922,174	5,640,598
Net Loss per Share	(0.15)	(0.14)	(0.12)
Current Assets	40,200,190	8,734,420	2,607,837
Exploration and Evaluation Assets	12,712,865	12,088,437	11,458,395
Total Assets	54,611,945	21,031,418	14,219,765
Current Liabilities	1,409,518	870,230	229,863
Working Capital	38,790,672	7,864,190	2,377,974
Shareholders' Equity	\$ 49,161,065	\$ 18,745,199	\$ 13,713,330
Number of Shares Outstanding	135,191,999	74,897,032	56,057,112

### **RESULTS OF OPERATIONS**

As at September 30, 2023 total assets were \$51,586,027 (December 31, 2022 - \$54,611,945), exploration and evaluation assets totalled \$17,393,958 (December 31, 2022 - \$12,712,865). The details of the cost breakdown are contained in the schedule of Exploration and Evaluation Assets in the notes to the condensed interim consolidated financial statements for the nine months ended September 30, 2023 (Note 4).



For the three months ended September 30, 2023 and 2022

The Company had a net loss of \$18,435,510 for the three months ended September 30, 2023 ("Q3-2023") (\$0.14 per share) as compared to the three months ended September 30, 2022 ("Q3-2022") of \$7,831,236 (\$0.09 per share).

Exploration and evaluation expenditures were the main contributor to the net loss in Q3-2023 with a significant increase of \$10,363,350 from Q3-2022 due to more exploration activities resulting in higher assays, camp and field requirements, drilling activity, and additional permitting, environmental, and social expenses as the Company had a larger exploration program in 2023.

Consulting and management fees increased by \$151,367 due to the strengthening of the management team including outsourced HR and recruiting functions and project controls team in comparison to Q3-2022, when the consultants and management team was smaller.

Investor relations expense increased by \$219,158 in comparison to Q3-2022 as the Company undertook more marketing, conferencing, and other promotional activities during the quarter.

Share-based compensation increased by \$694,153 in comparison to Q3-2022 due to the vesting of options granted throughout 2022.

The Company recorded interest income of \$364,279 during Q3-2023, an increase of \$255,090 from Q3-2022 due to a higher cash balance.

For the nine months ended September 30, 2023 and 2022

The Company had a net loss of \$26,145,149 for the nine months ended September 30, 2023 ("Q3-2023") (\$0.20 per share) as compared to the nine months ended September 30, 2022 ("Q3-2022") of \$10,439,833 (\$0.12 per share).

Exploration and evaluation expenditures were the main contributor to the net loss in Q3-2023 with a significant increase of \$15,772,371 from Q3-2022 due to more exploration activities resulting in higher assays, camp and field requirements, drilling activities, and additional permitting, environmental, and social expenses as the Company had a larger exploration program in 2023.

Consulting and management fees increased by \$604,884 due to the strengthening of the management team including outsourced HR and recruiting functions and project controls team in comparison to Q3-2022, when the consultants and management team was smaller.

Investor relations expense increased by \$390,399 in comparison to Q3-2022 as the Company undertook more marketing, conferencing, and other promotional activities during the period.

During the period ended September 30, 2023, the Company incurred \$452,302 (2022 - \$nil) of property investigation costs related to the Mactung Project.

Share-based compensation increased by \$1,119,750 in comparison to Q3-2022 due to the vesting of options granted throughout 2022.

The Company recorded interest income of \$1,247,378 during Q3-2023, an increase of \$1,060,752 from Q3-2022 due to higher cash balances.

The Company recorded an amortization of flow-through premium liability expense of \$4,847,883 (2022 - \$2,275,517) representing an increase of \$2,572,366 coinciding with the increased exploration activities during the current period.

## SUMMARY OF QUARTERLY RESULTS

The following table sets forth selected quarterly financial information for each of the last eight quarters with the figures for each quarter in Canadian dollars.

	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021
Operating expenses	(21,916,309)	(7,351,576)	(2,955,173)	(3,866,091)	(9,960,795)	(1,910,521)	(1,035,696)	(1,544,188)
Net income (loss)	(18,435,510)	(5,516,041)	(2,193,598)	(3,095,568)	(7,831,236)	(1,645,874)	(962,723)	(1,480,086)
Basic and diluted earnings (loss) per share	(0.13)	(0.04)	(0.02)	(0.03)	(0.09)	(0.02)	(0.01)	(0.02)
Total assets	51,586,027	52,683,453	52,543,790	54,611,945	24,841,493	32,144,978	20,124,888	21,031,418
Shareholders' equity (deficiency)	38,302,724	42,070,658	47,370,582	49,161,065	20,456,046	28,133,531	18,192,724	18,745,199
Capital stock	107,355,744	93,465,799	93,482,934	93,379,425	62,075,920	62,075,920	50,333,511	50,028,511
Deficit	73,370,336	54,934,826	49,418,785	47,225,187	44,129,619	36,298,383	34,652,509	33,689,786

## LIQUIDITY AND CAPITAL RESOURCES

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and cash equivalents and equity comprised of issued share capital and deficit.

Fireweed manages and adjusts its capital structure in light of economic conditions and financial needs. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

## WORKING CAPITAL

As at September 30, 2023, the Company had positive working capital of \$24,694,457 (December 31, 2022 - \$38,790,672). Working capital included Prepaid Expenses of \$1,120,876 (December 31, 2021 - \$174,133), comprised mainly of advances for drilling, advertising and promotion, software licenses, exploration work and insurance.

## CASH

On September 30, 2023, the Company had cash and cash equivalents of \$29,775,691 (December 31, 2022 - \$39,885,979). Management of cash balances is conducted in-house based on internal investment guidelines. Cash is deposited with a major Canadian financial institution. Cash required for operations is held in a chequing account. Excess funds may be invested in conservative money market instruments that bear interest and carry a low degree of risk. Some examples of instruments in which we may invest its cash are treasury bills, money market funds, bank guaranteed investment certificates and bankers' acceptance notes. The objective of these investments is to preserve funds for the use in and advancement of the Company's business.

## CASH USED IN OPERATING ACTIVITIES

Net cash used in operating activities during the period ended September 30, 2023, was \$26,085,457 (2022 - \$10,045,298). Cash was mostly spent on exploration work, consulting fees, investor relations expenses, professional fees, and general and administrative costs.

## CASH USED IN INVESTING ACTIVITIES

Total cash used in investing activities during the period ended September 30, 2023, was \$873,514 (2022 -

\$1,780,506), which was related to acquisition of equipment.

### **CASH USED BY FINANCING ACTIVITIES**

Total net cash provided by financing activities during the nine months ended September 30, 2023, was \$16,848,684 (2022 – cash generated of \$13,385,641), which consisted of \$16,800,000 in funds from the issuance of shares (2022 - \$13,157,511).

### **REQUIREMENT OF ADDITIONAL EQUITY FINANCING**

The Company has relied primarily on equity financings for all funds raised to date for its operations and will need more funds to explore and develop its projects in the future. Until it starts generating profitable operations from exploration, development and sale of minerals, the Company intends to continue relying upon the issuance of securities to finance its operations and acquisitions.

The Company is not subject to externally imposed capital requirements as at September 30, 2023.

### **OUTSTANDING SHARE DATA**

The Company's authorized share capital consists of an unlimited number of common shares without par value.

As at September 30, 2023, there were 144,788,913 shares issued and outstanding (135,191,999 at December 31, 2022), which were issued for an aggregate consideration of \$107,355,744 net of issuance costs and flow-through premium liability.

As of the date of this MD&A, the following shares, warrants and options were outstanding:

	<b>Number of Shares/Options/Warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
Issued and Outstanding Shares	<b>144,994,276</b>		
Share Purchase Warrants	2,973,669	\$0.60	April 14, 2024
Finders' Warrants	266,680	\$0.80	December 21, 2023
Finders' Warrants	44,785	\$1.37	September 1, 2024
Stock Options	140,000	\$0.65	July 11, 2024
Stock Options	668,000	\$0.59	June 10, 2025
Stock Options	160,000	\$0.71	August 25, 2025
Stock Options	120,000	\$0.99	September 18, 2025
Stock Options	1,297,000	\$0.80	July 7, 2026
Stock Options	75,000	\$0.83	November 1, 2026
Stock Options	3,890,400	\$0.55	September 2, 2027
Stock Options	190,000	\$0.59	September 21, 2027
Stock Options	105,000	\$0.73	November 17, 2027
Stock Options	280,000	\$0.85	February 27, 2028
Stock Options	4,544,000	\$1.01	June 20, 2028
Stock Options	100,000	\$1.11	July 5, 2028
Stock Options	452,000	\$1.70	August 24, 2028
Stock Options	240,000	\$1.42	September 12, 2028
<b>Fully diluted on November 24, 2023</b>	<b>160,540,810</b>		

\* This number excludes 3,700,000 not yet issued performance shares (please refer to Notes 16 in the financial statements for the year ended December 31, 2022 for more information).

### **CRITICAL ACCOUNTING ESTIMATES**

Our significant accounting policies are presented in Note 3 of the audited consolidated financial statements for the year ended December 31, 2022. Note 3 provides that the preparation of the Company's financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported

amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the 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.

## **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, social 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 payments

The Company measures share-based payments expense 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.

### 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 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 projects. Refer to Note 9 for more details.

## Capital stock

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue 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 has adopted a 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 announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

## **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 (including all equity derivative instruments) are classified as FVTPL, for other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at fair value through other comprehensive income ("FVTOCI").

*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 income statement. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the income statement in the period in which they arise. Derivatives are also categorized as FVTPL unless they are designated as hedges.

*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. 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	Fair value through profit or loss
Receivables	Financial asset measured at amortized cost
Reclamation bond	Financial asset measured at amortized cost
Loan payable	Financial liability measured at amortized cost
Accounts payable and accrued liabilities	Financial liability measured at amortized cost
Purchase obligation	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 fair value through profit or loss are treated as part of the carrying value of the asset or liability. Transaction costs for assets and liabilities at fair value through profit or loss are expensed as incurred.

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, reclamation bond and accounts payable and accrued liabilities and purchase obligation 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 fulfil its payment obligations. Receivables of \$986,119 consist of Goods and Services Tax ("GST") recoverable from the Federal Government of Canada. The Company believes its exposure to credit risk is equal to the carrying value of this balance. The Company has exposure to credit risk with respect to its cash as it places most of its cash in one financial institution in Canada where deposits are covered up to \$100,000 by the Canada Deposit Insurance Corporation. The Company believes its exposure is limited as it banks with a large Canadian institution.

#### *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 September 30, 2023, the Company had a cash balance of \$29,775,691 to settle current liabilities of \$7,256,825. 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 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 September 30, 2023, the Company is not exposed to significant interest rate risk.

#### *Price risk*

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

#### *Foreign currency risk*

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

### **RELATED PARTY TRANSACTIONS**

Related party transactions mainly include management and consulting fees, share-based compensation and director and committee fees. Please refer to Note 12 of the condensed interim consolidated financial statements for

the nine months ended September 30, 2023 for related party disclosures.

#### **ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE**

Additional disclosure concerning the Company's general and administrative expenses is provided in the Company's statement of loss and comprehensive loss contained in its financial statements for September 30, 2023, which are available on SEDAR+: [www.sedarplus.ca](http://www.sedarplus.ca).

#### **OFF-BALANCE SHEET ARRANGEMENTS**

The Company has no off-balance sheet arrangements.

#### **ADDITIONAL DISCLOSURE FOR JUNIOR ISSUERS**

The Company has had positive cash flow since its inception following the completion of the IPO. Following the recent private placements completed in December 2022, the Company believes its current capital resources to be sufficient to cover its operating costs for the next 12 months. Fireweed will need to obtain additional capital resources to fund operations further. The Company is planning to raise capital through equity or alternative financing. Actual funding requirements may vary from those previously planned due to a number of factors, including the progress of the Company's business activities and economic conditions.

All costs relating to the acquisition of its projects are capitalized and reported in the Statements of Financial Position in the Company's financial statements. All costs related to the exploration and evaluation are reported in the Company's Statement of Loss and Comprehensive Loss with a breakdown of categories provided in Note 4 of the financial statements for the three months ended September 30, 2023 on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

#### **APPROVAL**

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors has approved the condensed interim consolidated financial statements for the period ended September 30, 2023 and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

#### **NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This MD&A contains "forward-looking" statements and information ("forward-looking statements"). All statements, other than statements of historical facts, included herein, including, without limitation, statements relating to interpretation of drill results and geological data, future work plans, the use of funds, and the potential of the Company's projects, are forward looking statements. The use of any of the words "anticipate", "continue", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements. The factors that could cause actual results to differ materially include, but are not limited to, the following: general economic conditions; changes in financial markets; political conditions and developments; pandemics, relations with First Nations; weather; changes in the supply, demand and pricing of the metal commodities which the Company hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the ability to properly and efficiently staff the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration property or properties. Should any one or more risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements may vary materially from those described herein. This list is not exhaustive and these and other factors



should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements.

The Company believes the expectations reflected in those forward-looking statements are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking statements included in this MD&A should not be unduly relied upon. These statements are current only as of the date of this MD&A. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The Company does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws.

#### **ADDITIONAL INFORMATION**

Additional information relating to the Company can be found on its website at <https://fireweedmetals.com> and on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

On behalf of the Board of Directors,

*"Brandon Macdonald"*

Brandon Macdonald

Chief Executive Officer

**November 24, 2023**