



**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE AND NINE MONTHS ENDED DECEMBER 31, 2020 and 2019**



MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING and NOTICE TO READER

The accompanying unaudited condensed consolidated interim financial statements of Firestone Ventures Inc. (the "Company") for the three and nine months ended December 31, 2020 and 2019 are the responsibility of the Company's management ("Management") and have been prepared by Management and include the selection of appropriate accounting principles, judgments and estimates necessary to prepare these condensed consolidated interim financial statements in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") for condensed consolidated interim financial statements.

In accordance with National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed consolidated interim financial statements, they must be accompanied by a notice indicating that the condensed consolidated interim financial statements have not been reviewed by an auditor. The Company's independent auditor has not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professionals Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditor.

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Financial Position (Unaudited) (in Canadian dollars)

As at	Note	December 31, 2020	March 31, 2020
Assets			
Current assets:			
Cash		\$8,664	\$3,772
Accounts receivable		6,089	7,608
Prepaid expenses and deposits		10,635	10,174
Total assets		\$25,389	\$21,554
Liabilities and equity (deficiency)			
Current liabilities:			
Accounts payable and accrued liabilities	5,6,12	\$64,168	\$92,337
Due to related parties	5,12	7,910	19,210
Promissory note	6	572,910	402,000
Total liabilities		644,988	513,547
Equity (deficiency):			
Share capital	7	\$19,556,732	\$19,556,732
Contributed surplus		4,484,086	4,479,914
Deficit		(24,660,417)	(24,528,639)
Total equity (deficiency)		(619,599)	(491,993)
Total liabilities and equity (deficiency)		\$25,389	\$21,554

Nature of operations and going concern (note 1)

Commitments and contingencies (notes 4 and 13)

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss (Unaudited) (in Canadian dollars)

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
Expenses:				
Exploration (note 9)	\$7,431	\$6,943	\$24,060	\$20,805
General and administrative (note 8)	25,018	36,567	106,537	117,228
Loss from operating activities	\$(32,449)	\$(43,510)	\$(130,597)	\$(138,033)
Foreign exchange gain (loss)	(355)	(5)	(1,181)	136
Net loss and comprehensive loss	\$(32,804)	\$(43,515)	\$(131,778)	\$(137,897)
Basic and diluted loss per share (note 10)	\$(0.00)	\$(0.00)	\$(0.00)	\$(0.00)
Weighted average common shares outstanding - basic and diluted	53,720,791	53,720,791	53,720,791	53,720,791

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Interim Statements of Changes in Equity (Deficiency) (Unaudited)

(in Canadian dollars)

	Note	Shares #	Share Capital	Contributed Surplus	Accumulated Deficit	Total Equity (deficiency)
Balance – March 31, 2019		53,720,791	\$19,556,732	\$4,438,453	\$(24,334,488)	\$(339,303)
Share-based compensation expense	7	-	-	41,461	-	41,461
Net (loss) for the period		-	-	-	(137,897)	(137,897)
Balance – December 31, 2019		53,720,791	\$19,556,732	\$4,479,914	\$(24,472,385)	\$(435,739)
Share-based compensation expense	7	-	-	-	-	-
Net (loss) for the period		-	-	-	(56,254)	(56,254)
Balance – March 31, 2020		53,720,791	\$19,556,732	\$4,479,914	\$(24,528,639)	\$(491,993)
Share-based compensation expense	7	-	-	4,172	-	4,172
Net (loss) for the period		-	-	-	(131,778)	(131,778)
Balance – December 31, 2020		53,720,791	\$19,556,732	\$4,484,086	\$(24,660,417)	\$(619,599)

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Condensed Consolidated Statements of Cash Flows (Unaudited) (in Canadian dollars)

	Nine months ended December 31,	
	2020	2019
Cash provided by (used in):		
Operating activities:		
Net loss	\$(131,778)	\$(137,897)
Items not affecting cash		
Share-based compensation expense (note 7)	4,172	41,461
Net change in non-cash working capital (note 11)	(38,411)	12,405
Net cash flows used in operating activities	(166,017)	(84,031)
Financing activity:		
Promissory note advances (notes 6 and 13)	\$170,910	\$69,000
Net cash flows from financing activities	170,910	69,000
Change in cash	\$4,893	\$(15,031)
Cash, beginning of period	3,772	17,771
Cash, end of period	\$8,665	\$2,740

Supplemental cash flow information (note 11)

See accompanying notes to the condensed consolidated interim financial statements

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Firestone Ventures Inc. (the “Company” or “Firestone”) was incorporated under the Business Corporations Act (Alberta). The registered office is located at #1250 – 639 – 5th Avenue S.W., Calgary, Alberta, T2P 0M9, and the corporate office is located at Suite 1050, 36 Toronto Street, Toronto, Ontario M5C 2C5.

Firestone is a junior exploration mineral company engaged in the identification, evaluation, acquisition and exploration of mineral property interests with a focus on zinc, lead, silver and copper. Historically, through its wholly owned subsidiary Fuego Estrella, S.A., (“FESA”) the Company has been exploring certain mineral property interests in Guatemala. (See note 4 – *Mineral Properties Expenditures*).

The Company has no source of operating cash flow and operations to date have been funded primarily from the issuance of share capital and related party loans. The Company has incurred a net loss of \$98,973 during the nine months ended December 31, 2020 (2019 - \$94,382) and, as of that date, has a deficit of \$24,627,612 (March 31, 2020 - \$24,528,639). At December 31, 2020, the Company has a working capital deficiency of \$586,794 (March 31, 2020 - \$491,993) and is relying on cash advances from a director/principal shareholder to finance working capital (the “Lender”) (See note 6 - *Promissory Notes*).

The current financial equity market conditions for base metal exploration companies and the low price of the Company’s common shares continue to make it difficult to raise funds by private placements of shares, making the success of any alternative financing ventures uncertain. This material uncertainty, in conjunction with the Company’s working capital deficiency and inability to generate cash from operations, casts significant doubt upon the Company’s ability to continue as a going concern and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern. In addition to obtaining funding through private placements, management (“Management”) is examining other strategic alternatives to address the uncertainties discussed above, including reorganizations, mergers, sales of assets, and other forms of debt and equity financing. There is no assurance that any of these endeavours will be successful.

These condensed consolidated interim financial statements do not reflect any adjustments to the carrying values and classification of assets, or the amounts of, and classification of liabilities that would be necessary if the going concern assumption was not appropriate. Such adjustments could be material.

Novel Coronavirus (“COVID-19”)

In March 2020, the World Health Organization declared a global pandemic related to COVID 19. Its impact on world economies has been far-reaching and business around the world is being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, appropriate use of personal protection equipment (“PPE”), and closures of non-essential

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN, continued

Novel Coronavirus (“COVID-19”), continued

services have triggered significant disruptions to business worldwide, resulting in and economic slowdown.

Global stock markets have also experienced high volatility and significant movement. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions.

There is significant uncertainty surrounding COVID 19 and the extent and impact that it may have on our financial position and results, exploration activities, consultants, suppliers and on global financial markets is indeterminable at this time.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34 - *Interim Financial Reporting* using the accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the IAS Board.

The accounting policies applied in these condensed consolidated interim financial statements are based on IFRS policies issued and outstanding as of the date the Board of Directors approved the condensed consolidated interim financial statements (March 1, 2021). The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as those applied in note 2 of the Company’s most recent annual consolidated financial statements for the year ended March 31, 2020 (the “Annual Financial Statements”) and have been consistently applied throughout all periods presented, as if these policies had always been in effect. Any subsequent changes to IFRS that are given effect in the Company’s annual financial statements for the year ending March 31, 2021 could result in the restatement of these condensed consolidated interim financial statements.

(b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis using the accrual basis of accounting except for cash flow information. All amounts have been expressed in Canadian Dollars (“\$”), the functional currency, unless otherwise stated, and USD represents United States Dollars and GTQ represents Guatemalan Quetzals.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended December 31, 2020 and 2019
(in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(b) Basis of presentation, continued

These condensed consolidated interim financial statements include the financial statements of the Company and its wholly owned subsidiary FESA, incorporated under the laws of Guatemala. All intercompany accounts and transactions have been eliminated upon consolidation.

(c) Basis of consolidation

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

(d) Significant accounting judgments and estimates

The application of the Company's accounting policies in compliance with IFRS requires Management to make certain judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. These estimates and assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that Management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i. the inputs used in accounting for valuation of warrants and options which are included in the condensed consolidated interim statement of financial position;
- ii. the inputs used in accounting for share-based compensation expense in the condensed consolidated interim statement of loss;
- iii. the nil provision for decommissioning and restoration obligations which are included in the condensed consolidated interim statement of financial position; and

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Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

2. SIGNIFICANT ACCOUNTING POLICIES, continued

(d) Significant accounting judgments and estimates, continued

iv. the existence and estimated amount of contingencies, if any (see note 13 – Commitments and Contingencies).

(e) New and Amended IFRS standards that are in effect for the current year

During the nine months ended December 31, 2020, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards including IFRIC 22, IFRIC 23 and IAS 1. These new standards and changes did not have any material impact on these condensed consolidated interim financial statements.

(f) New and Amended IFRS standards not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after April 1, 2020 or later periods. Many are not applicable to, or do not have a significant impact on the Company and have therefore been excluded. The following have not been adopted and are being evaluated to determine their impact on the Company's consolidated financial statements:

IAS 1 – Presentation of Financial Statements (“IAS 1”) and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors (“IAS 8”) were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

2. CAPITAL AND FINANCIAL RISK MANAGEMENT

Capital management

The Company considers the capital that it manages to include share capital, contributed surplus and deficit. The Company manages its capital structure and makes adjustments to it, based on

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended December 31, 2020 and 2019
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CAPITAL AND FINANCIAL RISK MANAGEMENT, continued

Capital management, continued

the funds needed in order to support the acquisition and exploration of its mineral properties. Management does this in light of changes in economic conditions and the risk characteristics of the underlying assets. There has been no change with respect to the overall capital risk management strategy during the nine months ended December 31, 2020 and 2019.

The Company is not subject to externally imposed capital requirements by a lending institution or regulatory body, other than those of the TSX Venture Exchange ("TSXV"), which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of nine months. As at December 31, 2020, the Company is not compliant with the working capital policy of the TSXV.

The Company is operating on a 'care-and-maintenance basis'. During the nine months ended December 31, 2020, the Lender advanced \$119,610 (2019 - \$69,000) in short-term advances to assist the Company to meet its financial obligations. At December 31, 2020, the Company does not have sufficient funds to continue operating in the normal course and continues to rely on short-term loans, facilitated through cash calls to the Lender, to meet its ongoing financial commitments.

Financial risk management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency, and commodity price risk). Risk management is carried out by the Company's management team with guidance from the Audit Committee under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the nine months ended December 31, 2020 and 2019.

(a) 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 Company has no significant concentration of credit risk arising from its operations. Cash is held at select Canadian and Guatemalan financial institutions, from which Management believes the risk of loss to be remote.

The Company does not have any material risk exposure to any single debtor or group of

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements
For the three and nine months ended December 31, 2020 and 2019
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3. CAPITAL AND FINANCIAL RISK MANAGEMENT, continued

(b) Liquidity risk

Liquidity risk arises through an excess of financial obligations over financial assets at any point in time. The Company's approach to managing liquidity risk is to maintain sufficient readily available cash to continue operations and meet its financial obligations as they become due.

As the Company has no producing assets, continued operations are dependent upon its ability to raise adequate financing in the market, through short-term debt, through the issuance of shares or by the disposition of assets.

As at December 31, 2020, the Company had \$3,911 in cash to settle \$67,425 of accounts payable and accrued liabilities, \$23,731 due to related parties and \$521,610 of promissory notes (March 31, 2020 - \$3,372 in cash to settle \$92,337 of accounts payable and accrued liabilities, \$19,210 due to related parties and \$402,000 of promissory note).

Working capital will continue to fluctuate until the Company has achieved profitable levels of operations and profitability will not occur within the next twelve months; therefore, Management will need to raise additional funds to finance corporate and exploration expenditures.

(c) Market risk

Market risk is the risk related to changes in the market prices, such as fluctuations in foreign exchange rates and interest rates that will affect the Company's net earnings or the value of its financial instruments.

(i) Interest rate risk

Cash balances are deposited in highly accessible, interest-bearing bank accounts, that are used for short-term working capital requirements. Management believes this risk is minimal due to the low cash balances held in Tier 1 banks.

(ii) Foreign currency risk

Certain expenses of the Company are incurred in USD and GTQ are therefore subject to gains or losses due to fluctuations in these currencies. Management believes that the foreign currency risk derived from currency conversions is best served by not hedging its foreign exchange risk.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

3. CAPITAL AND FINANCIAL RISK MANAGEMENT, continued

(c) Market risk, continued

At December 31, 2020 and March 31, 2020, the Company's exposure to foreign currency risk with respect to amounts denominated in USD and GTQ, was substantially as follows:

In Canadian \$ equivalents	December 31, 2020	March 31, 2020
Cash	\$2,773	\$220
Accounts payable and accrued liabilities	(14,330)	(30,585)
Net exposure	\$(11,557)	\$(30,365)

(d) Commodity price risk

Commodity price risk is defined as the potential adverse future impact on earnings and economic value due to commodity price movements and volatility. The ability of the Company to explore and develop its mineral properties and the future profitability of the Company is directly related to the market price of zinc, lead and copper commodities. Commodity prices have fluctuated significantly in recent years. There is no assurance that these metals will be produced in the future or that a profitable market will exist for them. At December 31, 2020 and 2019, the Company was not a metals commodity producer.

(e) Sensitivity analysis

As at December 31, 2020, and March 31, 2020, both the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to their short-term nature. Based on Management's knowledge and experience of the financial markets, the Company believes that a 10% strengthening of the Canadian dollar against the USD and GTQ would have increased the net asset position of the Company as at December 31, 2020 by \$1,156 (March 31, 2020 by \$3,037). A 10% weakening of the Canadian dollar against the same would have had an equal but opposite effect.

4. MINERAL PROPERTIES EXPENDITURES

(a) Torlon Hill Project

The Torlon Hill Project consists of the Torlon Hill and other property interests in northwest Guatemala, of which the Company owns 100%.

During the nine months ended December 31, 2020, the Company expended \$24,060 (2019-\$20,805) for salaries and geology consulting, core storage rentals, travel and other costs related to permit maintenance. See note 8 – *Exploration Expense*.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

4. MINERAL PROPERTIES EXPENDITURES, continued

During the year ended March 31, 2015, the Company wrote down the carrying value of the Torlon project as the Company had no imminent future exploration plans for these properties. However, since that time, the Company has been maintaining its operating permits up to date, should exploration recommence.

As at December 31, 2020, the Company has a current exploration permit and once the COVID 19 restrictions are lifted, Management intends to apply for a new environmental permit which is required as a condition of the exploration permit. See note 13 – *Commitments and Contingencies*.

(b) Other Guatemala properties

In December 2008, the Company acquired a 100% interest in 12 exploration concessions in Guatemala for total consideration of 310,000 common shares. The concessions are subject to a 2% NSR in favour of the vendors, of which 1% may be purchased by the Company for US\$1,250,000. The Company has retained 2 out of the 12 original properties.

The Company continues to hold a number of other property interests in Guatemala.

During the year ended March 31, 2014, the Company wrote down the carrying value of these other Guatemala properties as the Company has no imminent future exploration plans for these properties. However, the Company has 11 exploration concessions awaiting final approval from the Guatemala government. Management has elected not to make permit payments for these properties until such approvals are obtained.

5. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND RELATED PARTY LOANS

	Note	December 31, 2020	March 31, 2020
Accounts payable		\$34,158	\$59,317
Accrued liabilities		30,510	33,020
Due to related parties	12	7,910	19,210
		\$72,578	\$111,547

For the months ended December 31, 2020, a private company owned by a director and principal shareholder (“ServiceCo”) provided services to the Company including rental space and consulting services in the areas of administrative assistance, investor relations and IT (the “Services”) at a monthly cost of \$3,000 plus HST. Unpaid service costs and disbursements owed by the Company to ServiceCo, at December 31, 2020, is \$3,390 (March 31, 2020 - \$3,390). The remaining \$4,520 (March 31, 2020 - \$15,820) was owed to the Chief Financial Officer (“CFO”) for unpaid services.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

5. ACCOUNTS PAYABLE, ACCRUED LIABILITIES AND RELATED PARTY LOANS, continued

These amounts are unsecured and non-interest bearing and negotiated on normal commercial terms.

See note 6 – *Promissory Notes* and note 12 – *Related Party Transactions* and note 13 – *Commitments and Contingencies*.

6. PROMISSORY NOTE - Advances from the Lender

	Nine months ended December 31, 2020	Nine months ended December 31, 2019
Balance, beginning of period	\$402,000	\$287,000
Cash advances	170,910	69,000
Balance, end of period	\$572,910	\$356,000

For the nine months ended December 31, 2020, cash calls totaling \$170,910 (2019 - \$69,000) were made to meet the ongoing corporate and exploration expenses of the Company.

7. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common and preferred shares, without par value.

(a) Issued share capital during the nine months ended December 31, 2020 and year ended March 31, 2020

During these periods, there were no share issuances.

(b) Stock options

The Company maintains a stock option plan (the “Plan”) under which directors, officers, employees and consultants of the Company and its affiliates are eligible to receive stock options. The maximum number of common shares reserved for issuance under the Plan is 10% of the issued shares of the Company at the time of granting the options.

- i. For the nine months ended December 31, 2020 there were no new stock option grants.
- ii. On July 26, 2019, the Company granted an aggregate of 750,000 stock options to a former officer/director who, since November 8, 2017, had been serving the Company, in an advisory capacity (“Advisor”). On May 9, 2020, the Advisor options expired.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

7. SHARE CAPITAL, continued

(b) Stock options, continued

- iii. During the nine months ended December 31, 2020, the Company recorded \$4,172 for the amortization expense related to stock options granted on July 26, 2018. These options fully vested on July 26, 2020.

The following table summarizes the stock option activity for the nine months ended December 31, 2020 and the year ended March 31, 2020, and the Company's outstanding and exercisable stock options at period end:

	Number of Options	Weighted Average Exercise Price
Balance - March 31, 2019	3,850,000	\$0.06
Expired	(750,000)	\$(0.05)
Issued	750,000	\$(0.06)
Balance - March 31, 2020	3,850,000	\$0.06
Expired	(750,000)	\$(0.06)
Balance – December 31, 2020	3,100,000	\$0.06

Issued Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date	Estimated Fair Value
100,000	100,000	\$0.05	July 29, 2021	\$9,093
2,000,000	2,000,000	\$0.05	July 29, 2021	\$181,855
1,000,000	1,000,000	\$0.075	July 26, 2023	71,133
3,100,000	3,100,000			\$261,081

The weighted average contractual life remaining for stock options as at December 31, 2020 is 1.22 (March 31, 2020 – 1.61) years. The above stock options were not included in the computation of diluted net loss per share for the periods presented as they are anti-dilutive.

(c) Restricted Stock Units ("RSU's")

The Company has a Restricted Stock Unit Incentive Plan, (the "RSU Plan") under which directors, officers, employees and consultants of the Company and its affiliates are eligible to receive RSU's. The maximum number of common shares reserved for issuance under the RSU Plan is 10% of the issued shares of the Company at the time of awarding the RSU's, or 4,612,079. At December 31, 2020 and March 31, 2020, no RSU's have been awarded.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

8. EXPLORATION EXPENSE

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
Salaries and geological consulting	\$5,857	\$6,134	\$19,040	\$18,378
Core storage rentals, permits, travel	1,574	809	5,020	2,427
TOTAL	\$7,431	\$6,943	\$24,060	\$20,805

9. GENERAL AND ADMINISTRATIVE EXPENSE

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
Professional and administrative fees	\$7,805	\$10,474	\$49,499	\$28,138
Management fees	6,000	6,000	18,000	18,000
Office and general	5,356	4,570	14,643	8,202
Regulatory and transfer agent	4,763	7,850	10,683	11,822
Investor relations and travel	1,094	1,307	9,540	9,605
	\$25,018	\$30,201	\$102,365	\$75,767
Share-based compensation	-	6,366	4,172	41,461
TOTAL	\$25,018	\$36,567	\$106,537	\$117,228

10. BASIC AND DILUTED LOSS PER SHARE

For the nine months ended December 31, 2020 and the year ended March 31, 2020, the weighted average number of common shares outstanding was 53,720,791 and the effect of outstanding stock options on loss per share was anti-dilutive. As such, the effect of outstanding stock options used to calculate the diluted loss per share has not been disclosed for the years presented.

11. SUPPLEMENTAL CASH FLOW INFORMATION

(a) Net change in non-cash working capital

	Nine months ended December 31,	
	2020	2019
Amounts receivable	\$(461)	\$(4,341)
Prepaid expenses and deposits	1,519	(478)
Accounts payable and accrued liabilities	(39,469)	8,542
	\$(38,411)	\$12,405

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

(a) Management fees and service costs

(i) During the nine months ended December 31, 2020, a total of \$18,000 (2019 - \$18,000) plus HST was charged to the Company by a company controlled by the CFO, on account of accounting consulting fees and recorded as management fees. Included in account payables and accrued liabilities at December 31, 2020 is \$4,560 (March 31, 2020 - \$15,820) owed to the CFO for unpaid services).

(ii) During the nine months ended December 31, 2020, the Company incurred \$27,000 (2019 - \$27,000) of service costs, or \$3,000 per month, provided by a ServiceCo. These costs were allocated in the condensed consolidated interim financial statements, as follows: \$9,000 to office and general (\$9,000 rent expense), \$9,000 to professional and administration fees and \$9,000 for other expenses categorized as investor relations and travel. Included in accounts payable and accrued liabilities at December 31, 2020 is \$3,390 (December 31, 2019 - \$9,040) owing to ServiceCo.

(iii) During the three months ended December 31, 2020, a total of \$6,000 (2019 - \$6,000) plus HST was charged to the Company by a company controlled by the CFO, on account of accounting consulting fees and recorded as management fees.

(iv) During the three months ended December 31, 2020, the Company incurred \$9,000 of service costs, or \$3,000 per month, provided by a ServiceCo. These costs were allocated in the condensed consolidated interim financial statements, as follows: \$3,000 to office and general (\$3,000 rent expense), \$3,000 to professional and administration fees and \$3,000 for other expenses categorized as investor relations and travel. The reduced costs are explained above in item (ii).

See notes 5, 6, and 13.

(b) Key Management Compensation

In accordance with IAS 24, Key Management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including all officers and directors of the Company.

The Chief Executive Officer (“CEO”) receives no cash compensation and the cash compensation paid to the CFO is listed in table below. The directors receive no cash compensation however they are eligible to be awarded stock options and RSU’s.

Firestone Ventures Inc.

Notes to the Condensed Consolidated Interim Financial Statements For the three and nine months ended December 31, 2020 and 2019 (in Canadian dollars)

12. RELATED PARTY TRANSACTIONS, continued

(b) Key Management Compensation, continued

For the nine months ended December 31, 2020 and 2019, the following is the compensation recorded for Key Management:

	Three months ended December 31,		Nine months ended December 31,	
	2020	2019	2020	2019
Management consulting fees	\$6,000	\$6,000	\$24,000	\$18,000
Share-based compensation	-	6,366	4,172	41,461
TOTAL	\$6,000	\$12,366	\$28,172	\$59,461

13. COMMITMENTS AND CONTINGENCIES

(a) Environmental Contingencies

The Company's exploration activities are subject to various federal, state and municipal laws and regulations governing the protection of the environment. The Company conducts its operations so as to protect public health and the environment.

As a condition of maintaining the Company's exploration permits in Guatemala, the Company is required to obtain an environmental license (the "EL"). One of the conditions of the EL is the provision of a monetary guarantee sufficient to meet potential future reclamation costs. The Company has lodged a GTQ 36,344 insurance bond (\$5,936) for this purpose. The deposit earns interest, has no maturity date and is fully refundable at the end of the project once the Ministry has signed off that no reclamation work is outstanding.

See note 4 – *Mineral Properties Expenditures*.

(b) Service Costs Agreement

ServiceCo provides rental space, investor relations, administrative and IT services to the Company at a monthly cost of \$3,000. This agreement may be terminated by the Company with 90 days' written notice provided to ServiceCo of the Company's intention to terminate the agreement. See note 12(a)(ii) – *Related Party Transactions*.