I am remodeling a room, which includes installing a gas fireplace insert. To prep for the insert, I removed the glass doors to the old fireplace, and removed the surround, exposing the "innards." I then stripped back the drywall on the rest of the wall and found that the drywall had been screwed to 1 x2s glued to CMU, with what appears to be another layer of drywall right up to the old fireplace.(see photo). I plan to remove the 1x2s and the drywall "frame," which will leave me with a CMU wall with a fireplace opening. Pretty bland / stark.

Now I'm faced with design choices that must incorporate noncombustible materials surrounding the insert. My on–site design consultant (aka, my wife) has said that tiles would be fine right around the insert. I'm okay with that, but am at a bit of a loss for what to do with the rest of the wall. I am considering something else that is noncombustible (like Hardi–backer, I've heard) or some other material I can finish like a "regular" wall. I was also considering doing the whole wall in that material, but I need help with how things will look and how easy it will be to install. For what it's worth, I've never worked with metal studs, and I'd rather to not try to learn at this point unless I have to.

So I could use your help: I'm trying to plan our choices for "that one wall" before the fireplace people get here in a few weeks. Please help with ideas / suggestions.

Thanks much, Mark