



District Receives Permits, Outlines Drilling Plans, and Announces Management Change

Vancouver, B.C.

February 4, 2021

February 4, 2021 – District Metals Corp. (TSX-V: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to announce that it has obtained all of the necessary permits required to commence a 5,000 m drill program at the Company's high grade polymetallic Tomtebo Property located in the Bergslagen Mining District in south-central Sweden. The required authorizations include an exploration permit from the Bergsstaten (Mining Inspectorate of Sweden), and cultural heritage, environmental, and off-road permits from the County Administrative Board of Dalarna. Drilling at Tomtebo is expected to begin in late-February or early-March.

Garrett Ainsworth, CEO of District, commented: "The permitting process for our drill program at Tomtebo went exceptionally well with many thanks to GeoVista AB. Since closing the acquisition of the Tomtebo Property in mid-2020 we have applied a rigorous modern systematic approach to exploration, which has developed some of the most exciting drill targets I have seen in my career. Over the last six months we have obtained positive geophysical, geochemical, and geological data that has been combined with historic data from the former Tomtebo Mine, which shows strong potential for the presence of a large high grade polymetallic mineralized system. It has been over half a century since the former Tomtebo Mine has seen any material drilling, and we are keen to apply today's knowledge to unlock Tomtebo's full potential."

Drill Program Objectives

- Follow up on historical drill holes at the former Tomtebo Mine (Figure 1) to confirm significant high grade polymetallic mineralization, and to obtain missing assay data.
- Infill and step-out drilling from significant intercepts of high grade polymetallic mineralization.
- Conduct modern down-hole electromagnetic surveys to assess potential extensions of polymetallic mineralization along strike and at depth.

Drilling Plan

A total of 5,000 m of core drilling in 21 holes is planned at the historic Tomtebo Mine with a focus on the following high priority zones:

Oscarsgruvan Zone (4-hole, 800 m) following up on mineralized domains that are highlighted with historic drill holes:

Drill Hole				Depths and Interval			Historical Assay Results				
Hole ID	Azimuth	Dip	Hole Type	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Zn (%)	Pb (%)	Cu (%)
TOMT65002	167	-65	Surface	116.35	120.80	4.45	195.11	0.55	7.80	3.00	0.05
				196.80	206.86	10.06	33.50	0.29	0.15	0.01	0.56
TOMT71022	311	0	Underground	2.94	7.68	4.74	43.31	0.38	8.13	0.46	0.05
TOMT71024	334	0	Underground	22.59	27.04	4.45	55.96	0.24	8.73	1.66	0.03

Notes:

- True widths of the reported mineralized intervals have not been determined.
- These drill results are historical in nature. District has not undertaken any independent investigation of the sampling nor has it independently analyzed the results of the historical exploration work in order to verify the results. The author of the NI 43-101 Technical Report on the Tomtebo Property has completed historical data verification and validation work, and has concluded that the historical drill results at the Tomtebo Mine do not conform to the presently accepted industry standards. District considers these historical drill results relevant as the Company will use this data as a guide to plan future exploration programs. The Company also considers the data to be reliable for these purposes, however, the Company's future exploration work will include verification of the data through drilling.

Steffenburgs Zone (8-hole, 2,100 m) following up on mineralized domains that are highlighted with historic drill holes:

Drill Hole				Depths and Interval			Historical Assay Results				
Hole ID	Azimuth	Dip	Hole Type	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Zn (%)	Pb (%)	Cu (%)
TOMT43002	83	-66	Surface	41.70	47.90	6.20	na	na	11.22	5.16	0.19
TOMT70016	293	0	Underground	20.70	25.46	4.76	24.00	0.40	13.72	1.34	0.02
			Underground	30.10	43.40	13.30	na	na	14.39	1.94	0.06
TOMT72005	216	58	Underground	31.34	33.36	2.02	183.00	0.40	9.70	3.90	0.10
				35.33	43.45	8.12	87.86	0.57	5.82	3.33	0.13
TOMT65001	127	-60	Surface	113.90	118.57	4.67	199.84	0.88	13.64	6.93	0.25
TOMT70003	10	0	Underground	5.79	15.60	9.81	88.20	0.37	5.37	2.60	0.16
TOMT70004	162	0	Underground	2.00	18.17	16.17	93.02	1.03	5.42	2.86	0.22
TOMT71041	32	-75	Underground	5.32	34.76	29.44	69.02	0.81	0.99	0.67	0.41
				54.00	57.34	3.34	71.29	0.84	2.42	0.62	0.72
				66.83	67.51	0.68	80.00	0.70	6.50	1.50	0.40
TOMT72002	146	0	Underground	15.21	25.39	10.18	Massive Zinc Sulphides in Drill Log (No Assays Available)				
TOMT72003	162	0	Underground	7.83	14.03	6.20	Massive Zinc Sulphides in Drill Log (No Assays Available)				
				14.20	25.65	11.45	22.60	0.20	0.17	0.04	0.59
TOMT71031	110	-63	Underground	108.80	126.55	17.75	55.51	0.75	0.91	0.53	0.98
TOMT70029	90	-66	Underground	114.92	125.42	10.50	57.91	0.42	1.43	0.54	0.65

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Gårdsgruvans Zone (5-hole, 1,500 m) following up on mineralized domains that are highlighted with historic drill holes:

Drill Hole				Depths and Interval			Historical Assay Results							
Hole ID	Azimuth	Dip	Hole Type	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Zn (%)	Pb (%)	Cu (%)			
TOMT16008b	136	-67	Surface	9.50	13.10	3.60	na	na	na	na	3.98			
				51.60	55.60	4.00	na	na	na	na	11.79			
				68.60	72.00	3.40	na	na	na	na	2.38			
TOMT69001	189	0	Underground	44.23	53.12	8.89	Semi-Massive Copper Sulphides in Drill Log (No Assays Available)							
				121.55	150.59	29.04								
TOMT70026	202	0	Underground	31.14	36.49	5.35	Massive Zinc Sulphides in Drill Log (No Assays Available)							
				39.48	44.92	5.44								
				54.50	57.90	3.40								
							58.05	63.55	5.50	na	na	na	na	0.52
							71.85	74.27	2.42	na	na	na	na	0.55
							85.79	89.00	3.21	na	na	na	na	0.66
							92.53	93.21	0.68	na	na	na	na	0.36
							120.15	121.84	1.69	Massive Copper Sulphides in Drill Log (No Assays Available)				
							125.12	127.00	1.88	Semi-Massive Copper Sulphides in Drill Log (No Assays Available)				
							133.61	135.98	2.37					
			139.57	141.62	2.05									
TOMT69005	89	0	Underground	5.75	6.99	1.24	Massive Copper Sulphides in Drill Log (No Assays Available)							
				26.86	38.72	11.86	Semi-Massive Copper Sulphides in Drill Log (No Assays Available)							
				38.72	43.61	4.89	Massive Copper Sulphides in Drill Log (No Assays Available)							
				48.97	50.28	1.31	Massive Zinc Sulphides in Drill Log (No Assays Available)							
TOMT67001	289	0	Underground	154.50	158.75	4.25	na	na	na	na	1.35			
				162.53	163.50	0.97	na	na	na	na	3.83			

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Gamla Gruvans Zone (4-hole, 600 m) following up on mineralized domains that are highlighted with historic drill holes:

Drill Hole				Depths and Interval			Historical Assay Results				
Hole ID	Azimuth	Dip	Hole Type	From (m)	To (m)	Interval (m)	Ag (g/t)	Au (g/t)	Zn (%)	Pb (%)	Cu (%)
TOMT56003	0	-45	Surface	30.50	31.50	1.00	na	na	na	na	0.30
				49.00	50.00	1.00	na	na	na	na	0.30
				50.00	52.30	2.30	na	na	21.00	5.00	0.60
				52.30	53.70	1.40	na	na	na	na	1.00
				53.70	57.30	3.60	na	na	na	na	0.30

TOMT56004	0	-45	Surface	70.00	73.00	3.00	na	na	na	na	0.75
				76.00	78.00	2.00	na	na	na	na	0.30
				83.50	85.60	2.10	na	na	na	na	0.30

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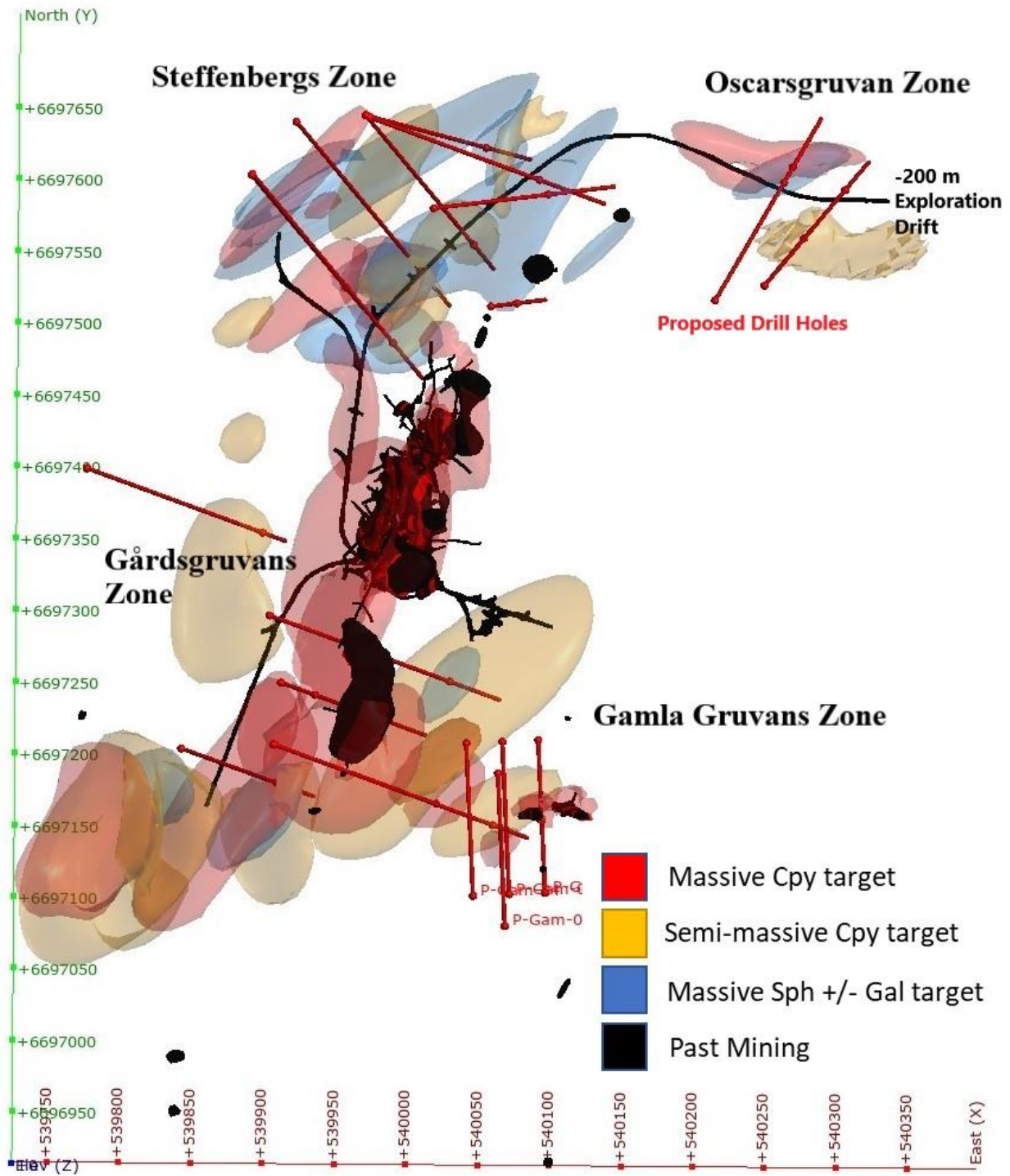
Management Change

The Company is also pleased to announce the appointment of Marlis Yassin, CPA, CA, as Chief Financial Officer (CFO) of District Metals, effective February 4, 2021. Gavin Cooper has served as CFO since 2017, and he will continue to work with District as a consultant.

Garrett Ainsworth, CEO of District, commented: “On behalf of the Board, I'd like to welcome Marlis in her executive position with District Metals. Marlis has been providing consulting services to the Company, and we look forward to working even more closely with her as a key member of the executive team. Gavin Cooper's contributions since District's start up have been much appreciated, and we look forward to continuing to work together.”

Ms. Yassin has over 15 years experience working with companies in various sectors, including mining, technology, and industrial products. She has held finance management positions at various public companies, including a large industrial products company and mid-tier mining companies. Ms. Yassin gained extensive experience at Deloitte providing reporting, advisory and assurance services to publicly traded companies, primarily in natural resources. Ms. Yassin is a CPA, CA and holds a Bachelor of Commerce degree from the University of British Columbia.

Figure 1: Plan View of Proposed Drill Holes at Tomtebo Mine



Technical Information

All scientific and technical information in this news release has been prepared by, or approved by Garrett Ainsworth, PGeo, President and CEO of the Company. Mr. Ainsworth is a qualified person for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

Mr. Ainsworth has not verified any of the information regarding any of the properties or projects referred to herein other than the Tomtebo Property. Mineralization on any other properties referred to herein is not necessarily indicative of mineralization on the Tomtebo Property.

The data disclosed in this news release related to drilling results is historical in nature. District has not undertaken any independent investigation of the sampling nor has it independently analyzed the results of the historical exploration work in order to verify the results. The author of the NI 43-101 Technical Report on the Tomtebo Property has completed historical data verification and validation work, and has concluded that the historical drill results at the Tomtebo Mine do not conform to the presently accepted industry standards. District considers these historical drill results relevant as the Company will use this data as a guide to plan future exploration programs. The Company also considers the data to be reliable for these purposes, however, the Company's future exploration work will include verification of the data through drilling.

About District Metals Corp.

District Metals Corp. is led by industry professionals with a track record of success in the mining industry. The Company's mandate is to seek out, explore, and develop prospective mineral properties through a disciplined science-based approach to create shareholder value and benefit other stakeholders.

The advanced exploration stage Tomtebo Property, located in the Bergslagen Mining District of south-central Sweden, is the Company's main focus. The Tomtebo Property comprises 5,144 ha, and is situated between the historic Falun Mine and Boliden's Garpenberg Mine located 25 km to the northwest and southeast, respectively. Two historic polymetallic mines and numerous polymetallic showings are located on the Tomtebo Property along an approximate 17 km trend that exhibits similar geology, structure, alteration and VMS/SedEx style mineralization as other significant mines within the district. Mineralization that is open at depth and along strike at the historic mines on the Tomtebo Property has not been followed-up and modern systematic exploration has never been conducted on the Property.

On Behalf of the Board of Directors
"Garrett Ainsworth"
President and Chief Executive Officer

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Cautionary Statement Regarding “Forward-Looking” Information.

This news release contains certain statements that may be considered “forward-looking statements” within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “is positioned”, “estimates”, “intends”, “assumes”, “anticipates” or “does not anticipate” or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved” and other similar expressions. In addition, statements in this news release that not historical facts are forward looking statements including anticipated results of future exploration and the results of additional compilation work.

These statements and other forward-looking information are based on assumptions and estimates that the Company believes are appropriate and reasonable in the circumstances, including, without limitation, assumptions about the reliability of historical data and the accuracy of publicly reported information regarding past and historic mines in the Bergslagen District the Company’s ability to raise sufficient capital to fund planned exploration activities, maintain corporate capacity and satisfy the exploration expenditure requirements required by the definitive purchase agreement between the Company and the vendor of the Tomtebo Property (the “Definitive Purchase Agreement”) by the times specified therein (failing which the Tomtebo Property will be forfeited without any repayment to the Company); and stability in financial and capital markets.

There can be no assurance that such statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company’s expectations include the risk that historic data regarding the Tomtebo property is unreliable, the risk that information concerning production and mineralization at current and historic mines within the Bergslagen District proves to be inaccurate; the risk that the Company will be unable to raise sufficient capital to finance planned exploration (including incurring prescribed exploration expenditures required by the Definitive Purchase Agreement, failing which the Tomtebo Property will be forfeited without any repayment of the purchase price); future metal prices, general economic, market or business conditions, and other exploration or other risks detailed herein and from time to time in the filings made by the Company with securities regulators, including those described under the heading “Risks and Uncertainties” in the Company’s MD&A for the financial year ended June 30, 2020 and Annual Information form dated October 30, 2020. The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable law. Readers are cautioned not to put undue reliance on these forward-looking statements.