District Continues to Intersect Significant Polymetallic Mineralization at the Tomtebo Property

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July 5, 2021 – District Metals Corp. (TSX-V: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to report assay results on nine drill holes (TOM21-004 to -012) from the maiden drill program at the high grade polymetallic Tomtebo Property located in the Bergslagen Mining District in south-central Sweden.

Drill hole TOM21-004 encountered strong zinc-lead-silver dominant mineralization (Garpenberg-style) at the Oscarsgruvan zone, and holes TOM21-005 to -012 encountered variable grades and widths of zinc-lead-silver and copper-gold dominant mineralization (classic VMS-style) at the Steffenburgs zone with the following drill assay highlights:

- **TOM21-004** intersected **6.5 m at 3.8% Zn, 2.2% Pb, 46.7 g/t Ag, 0.4 g/t Au, and 0.2% Cu** (198.9 to 205.4 m) including **1.65 m at 10.9% Zn, 5.0% Pb, 93.4 g/t Ag, 0.4 g/t Au and 0.1% Cu** (198.9 to 200.55 m).

- **TOM21-008** intersected **5.3 m at 3.4% Zn, 1.2% Pb, 20.8 g/t Ag, 0.2 g/t Au, and 0.1% Cu** (218.7 to 224.0 m).

- **TOM21-009** intersected **3.9 m at 3.7% Zn, 1.5% Pb, 20.3 g/t Ag, 0.2 g/t Au, and 0.1% Cu** (141.4 to 145.3 m) and **0.35 m at 4.0 g/t Au, 3.7% Cu, 53.2 g/t Ag, 0.1% Zn, and 0.1% Pb** (184.65 to 185.0 m).

- **TOM21-012** intersected **26.3 m at 0.6% Cu, 0.2 g/t Au, 0.8% Zn, 0.4% Pb, 24.4 g/t Ag** (301.9 to 328.2 m) including **3.8 m at 0.7% Cu, 0.3 g/t Au, 1.7% Zn, 0.9% Pb, 35.7 g/t Ag** (308.55 to 312.35 m).

Drill hole locations are shown in Figure 1, drill core photos are shown in Figures 2 and 3, and drill assay results are shown in Table 1.

Rodney Allen, Technical Advisor for District, commented: "Information from the most recent drill holes adds to our growing understanding of the Tomtebo property. Interpretation of the drill cores clearly indicates that the Tomtebo property contains a large, intense, syn-volcanic polymetallic mineral system. Similarities with submarine Volcanogenic Massive Sulphide (VMS) deposits world-wide and with major polymetallic deposits nearby in Bergslagen, including

Garpenberg and Falun, allow us to compare and interpret the Tomtebo system. Four different styles of polymetallic mineralization have been drilled at Tomtebo to date:

1. Massive to semi-massive Zn-Pb-Ag-(Cu-Au) sulphide
2. Zn-Pb-Ag-Cu-Au dissemination and vein networks
3. Cu-Au vein networks
4. Skarn-hosted, disseminated to semi-massive Zn-Pb-Ag-(Cu-Au)

Each drill hole in the current campaign not only provides new information about the size and grade of the mineralization, but also evidence about the style and geometry of the mineralization, the nature of the volcanic host succession, and where within the overall mineral system the drill holes are located. Previous explorers (1970's and before) at Tomtebo do not appear to have made the connection between the various styles of mineralization and their significance in terms of the entire mineral system. We believe that the 4 styles of mineralization listed above occur in a logical geometric relation to each other and their volcanic host rocks, and that they are genetically related.

The Cu-Au mineralization (type 3 above) is interpreted to be a network of copper-rich "stringer veins" that represent a hydrothermal "feeder conduit" where hot metal-bearing hydrothermal solutions flowed up through the host volcanic strata. Copper was mainly deposited in the hotter deeper part of the system, whereas zinc, lead, silver and some gold were carried further and deposited at lower temperature at the cooler fringes of the Cu-Au zones and at just below the sea floor (types 1 and 2 above). Consequently, the stratigraphic level that represents the sea floor at the time of mineralization is an absolutely critical control on where mineralization will occur and what styles of mineralization will occur at various levels in the host rock succession.

At Tomtebo and at other deposits in the Bergslagen District, limestone beds within the volcanic succession are an additional important control on mineralization. Metalliferous hydrothermal solutions that passed upwards through the volcanic succession became trapped below each impermeable limestone bed, and were redirected laterally along the base of the limestone at the same time reacting with the limestone, resulting in the formation of skarn and the deposition of base and precious metals (type 4 above). This geological environment is a major site for polymetallic mineral deposits in Bergslagen, and the main site for polymetallic mineralization at the nearby giant Garpenberg Mine.

A few of our recent drill holes in the Steffenburg and Oscarsgruvan zones have intersected parts of the upper more Zn-Pb-Ag rich part of the system, but most of this upper target area is unexplored. The intersection of massive to semi-massive Zn-Pb-Ag-(Cu-Au) sulphides (type 1 above) in drill hole TOM21-001 at the northwest portion of the Tomtebo Mine is interpreted to be part of a deformed massive sulphide lens originally deposited above a rhyolite dome and just below the sea floor. The significance of these targets has not been appreciated and hence they were not previously a focus for drilling. Only a few holes intersect the skarn-altered limestones and the original sea floor horizon. The sea floor horizon is completely untested directly stratigraphically above the copper-rich feeder vein networks and will be one focus of the next drilling campaign.

We anticipate that further steps in understanding the Tomtebo mineral system will be made once all of the geological and lithogeochemical data from the first drill program have been compiled and interpreted."

Garrett Ainsworth, CEO of District, commented: "We have now reported on drill core assay results for 16 out of the 22 holes from our maiden drill program, and our takeaway is that the polymetallic mineralized footprint at the historic Tomtebo Mine is very large and remains wide open. Drill hole TOM21-004 at the Oscarsgruvan zone has returned high grade polymetallic mineralization beneath the -200 m exploration drift that is wide open in all directions. As equally important we encountered limestone skarn to the end of hole depth of 300 m, which is the main host rock associated with polymetallic mineral resources at the Garpenburg Mine. Drill hole TOM21-012 appears to have intersected polymetallic mineralization between the Cu-Au feeder zone and more distal Ag-Zn-Pb zone as we see elevated values for all the metals of interest over a wide interval of 26.3 m. All of the drill holes have encountered intense alteration with 13 out of the 16 holes returning mineralization above cut off grades, which is a testament to the robust polymetallic mineral system at Tomtebo."

Drill Hole Summaries

TOM21-004 (Oscarsgruvan zone):

Hole TOM21-004 was drilled at an angled orientation (-65° dip) to the northeast (40° azimuth) with its collar approximately 30 m east of holes TOM21-002 and -003. This hole targeted silver-zinc-lead mineralization along the most eastern part of the historic mine drift at -200 m level. The exploration drift was intersected at 197.0 m as a 1.9 m void, but drilling continued through the other side. The hole intersected moderately to strongly altered felsic volcanic rocks with trace to disseminated pyrite intercalated by several meter-scale limestone skarn units and mafic dykes from 9.45 to 191.7 m. Several intervals of polymetallic mineralization were encountered from 191.7 to 205.4 m within intensely altered felsic volcanic rocks. This polymetallic mineralization was underlain by strongly to intensely altered felsic volcanic rocks intercalated by meter-scale tremolite-limestone skarn units together with banded magnetite from 205.4 to 268.3 m. Between 268.3 and the end of hole depth of 300.0 m the hole encountered pyroxene-skarn (after limestone).

TOM21-005 (Steffenburgs zone):

Hole TOM21-005 was drilled at an angled orientation (-49° dip) to the east (81° azimuth), and was designed to confirm historic hole TOM-65-001 which returned 4.67 m (113.9 to 118.57m) at 200 g/t Ag, 13.6% Zn, 6.9% Pb, 0.88 g/t Au, and 0.25% Cu. Hole TOM21-005 was dominated by moderately to strongly altered felsic volcanic rocks throughout. Alteration mineralogy varies from qtz>muscovite schistose rocks to more qtz>phlogopite/muscovite> cordierite rocks, locally with disseminated sulphides. Several meter-sized mafic dykes crosscut the felsic volcanic sequence. Small polymetallic stringer/vein style mineralization was encountered between 192.0 to 197.0 m within altered felsic volcanic rock, however, the historic mineralized intercept was not confirmed, and the end of hole depth was reached at 230.0 m.

TOM21-006 (Steffenburgs zone):

Hole TOM21-006 was drilled from the same set up as drill hole -005, but at an angled orientation (-65° dip) to the southeast (140° azimuth), and was designed to test a 1.5 m interval of high grade polymetallic mineralization in historic hole TOMT70-011, just south of the historic -200m level exploration drift. This hole was again dominated by moderate to strongly altered felsic volcanic rocks. Altered qtz>phlogopite>cordierite rocks with intercalated mafic dykes transition at 64.0 m to more qtz>muscovite/phlogopite schist. A more massive qtz>phlogopite>muscovite rock with local gahnite clusters and trace to disseminated py/po starts at 96.0 m. Both the silica and sulphide content increase from 113.0 m with local cm-size polymetallic stringers. A massive polymetallic sulphide vein was intersected from 155.05 to 155.90 m hosted by a more massive, coherent qtz>phlogopite rock. Dark green, chaotic phlogopite>chlorite rock/schist with cordierite blasts and impregnations of pyrite were observed from 169.0 to 174.0 m, followed by a chlorite-talc zone, which ends at 179.0 m, indicating intense Mg-alteration likely due to a fluid conduit. The remainder of the hole is dominated by altered qtz>muscovite/phlogopite>cordierite rocks to the end of hole depth of 221.0 m.

TOM21-007 (Steffenburgs zone):

Hole TOM21-007 stepped back north from hole -006 with an angled orientation (-57° dip) to the southeast (140° azimuth), and was designed to test polymetallic mineralization discovered at the -200 m level exploration drift. The hole starts with fine grained, broken and silicified, felsic volcanic ash silt-sandstones, indicated as hanging wall rocks to 80.0 m. Quartz and phlogopite altered rocks with locally extensive sulphide impregnation from 126.0 to 155.0 m transitions into altered felsic volcanic rocks with traces of pyrite and magnetite around 163.0 m. A massive sulfide vein was intersected from 186.35 to 187.1 m. Additional sulphide mineralization was encountered from 199.0 to 231.0 m, which included dense accumulations of disseminated, impregnated and semi-massive sulfides within intensely altered felsic volcanic rocks and dark mica-chlorite-schists. This mineralized unit is underlain by qtz>phlo/musc>cordierite altered felsic volcanic rocks, intercalated by meter-scale mafic dykes from 231.0 m to the end of hole depth at 257.0 m.

TOM21-008 (Steffenburgs zone):

Hole TOM21-008 was drilled from the same set up as drill hole -007, but at an angled orientation (-68° dip) to the southeast (135° azimuth). Fine grained hanging wall volcanic ash silt-sandstones were encountered to 99.0 m. Quartz>phlogopite>cordierite/andalusite altered rocks with local disseminated pyrite and patches of gahnite dominate to 219.0 m. This includes a dark phlogopite>cordierite/andalusite schist from 176.0 to 194.0 m. Multiple intervals of polymetallic sulphide mineralization, including semi-massive to massive mineralization, dominated by pyrite, pyrrhotite, spalerite, gahnite, and galena were observed from 219.0 to 238.0 m within altered felsic volcanic rocks. This mineralized unit includes a massive sulfide vein from 220.8 to 222.9 m. These significant polymetallic sulphide intercepts are underlain by altered felsic volcanic rocks from 222.9 m to the end of hole depth at 295.2 m.

TOM21-009 (Steffenburgs zone):

Hole TOM21-009 stepped west 50 m from hole -008 with an angled orientation (-57° dip) to the southeast (135° azimuth) and was designed as a step out at depth to test polymetallic mineralization encountered in the -200 m level exploration drift. Fine grained hanging wall volcanic ash silt-sandstones transition at 95.0 m to altered felsic volcanic rocks with increasing sulphide and gahnite content. Quartz>phlogopite>cordierite/andalusite altered rocks together with more phlogopite>sulphide schists, dominate this interval. A chlorite>phlogopite>sulphide zone from 143.0 to 151.0 m transitions to less altered qtz>phlogopite/muscovite>andalusite rocks. The silica content increases from 213.0 m, including multiple cm-size veins/stringers of polymetallic sulphides, followed by a qtz>phlogopite rock with local zones of magnetite blasts to 255.0 m. Biotite/phlogopite>sulphides + magnetite schists was observed from 255.0 to 267.0 m. Multiple zones of polymetallic mineralization were intersected between 112.0 to 272.7 m, which included accumulations of disseminated, impregnation, vein, and semi-massive to massive-style sulphide mineralization that is dominated by pyrite, pyrrhotite, gahnite, and local magnetite. This mineralization is underlain by altered felsic volcanic rocks from 272.7 m to the end of hole depth at 308.0 m.

TOM21-010 (Steffenburgs zone):

Hole TOM-21-010 was drilled from the same set up as drill hole -009, but at an angled orientation (-48° dip) to the southeast (140° azimuth). Fine grained hanging wall volcanic ash silt-sandstones transition at 91.0 m, including a 4.0 m tectonic/fault zone, to altered felsic volcanic rocks/schist with increasing sulphide and gahnite content. A chlorite>phlogopite>sulphide zone from 163.0 to 184.0 m forms the transition to unit dominated by qtz>phlogopite>sulphide rock with magnetite blasts (up to 10%) to 220.0 m. This is followed by a less altered qtz>phl/musc rock with a weak foliation and local gahnite patches and minor sulphides. An increase in alterations started at 245.0 m, including an intensely chlorite>sulphide altered fluid flow zone from 253.0 to 259.0 m and a possible tremolite-skarn (262.0 to 267.0 m) with multiple m-sized mafic dykes. Sulphides cease from 259.0 m to the end of hole depth at 293.0 m.

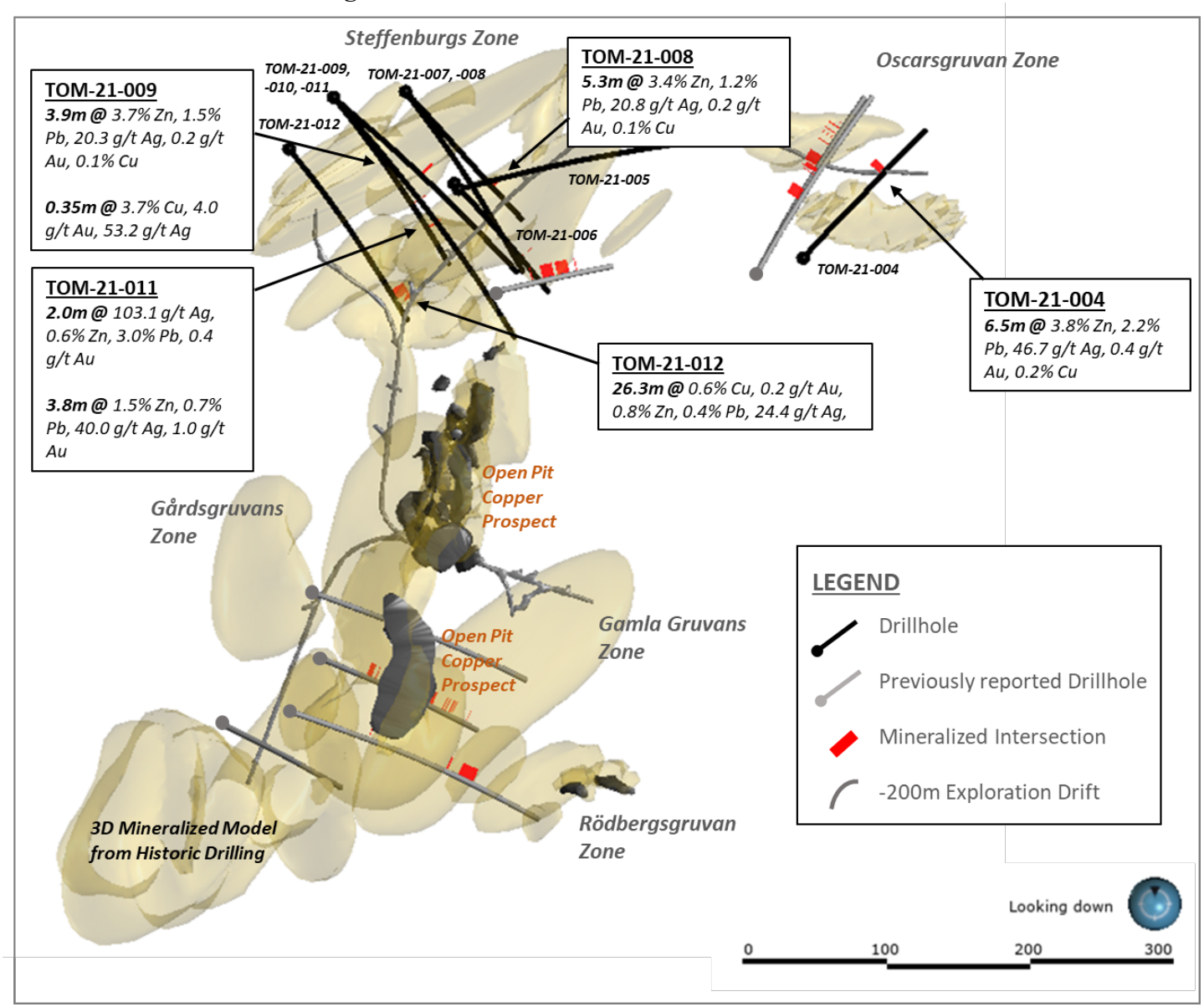
TOM21-011 (Steffenburgs zone):

Hole TOM-21-011 was drilled from the same set up as drill holes -009 and -010, but at an angled orientation (-69° dip) to the southeast (140° azimuth) and was a step out below the -200 m level exploration drift to extend polymetallic mineralization at depth. Fine grained hanging wall volcanic ash silt-sandstones transition at 75.0 m, including a tectonic/fault zone, to moderate to strongly altered felsic volcanic rocks/schist. A significant semi-massive to massive interval of polymetallic sulphide mineralization is encountered from 144.0 to 147.0 m hosted by altered felsic volcanic rocks with local patches of gahnite and pyrite. A sharp contact with actinolite/tremolite after pyroxene skarn, replacing a former limestone, is observed from 214.0 to 226.0 m followed by intense Mg-alteration. This anthophyllite-phlogopite-cordierite unit stops at 281.0 m with a possible tremolite skarn from 263.0 to 269.0 m. Small pyrite veinlets plus gahnite and minor chalcopyrite appear from 276.0 m of the anthophyllite-phlogopite-cordierite altered felsic volcanic rock to 305.0 m. No Sulphides were observed from 305.0 m to the end of hole depth at 350.0 m.

TOM21-012 (Steffenburgs zone):

Hole TOM21-012 stepped west 50 m from drill hole -011 with an angled orientation (-70° dip) to the southeast (140° azimuth) and was designed to test below the -200 m level exploration drift. The beginning of this hole is dominated by fine grained hanging wall volcanic ash silt-sandstones with varying biotite/phlogopite content. A transition to more chaotic qtz>phl/muscovite altered felsic volcanic rock/schist starts at 260.0 m with abundant cordierite blasts observed at 266.0 m. A zone of intense Mg-alteration starts at 270.0 m with chaotic cordierite, anthophyllite, phlogopite, chlorite assemblages and a chlorite-talc interval from 282.0 to 293.0 m. Mineralization (pyrite-gahnite up to 5%, plus local magnetite blasts) starts at 293.0 m in dark-grey chaotic qtz>chlorite>cordierite>anthophyllite altered felsic volcanic rock. Intense veining of pyrrhotite>pyrite>chalcopyrite, typical for 'feeder conduits' is noticed from 309.0 to 324.0 m. The Mg-alteration/ qtz>chlorite>anthophyllite>cordierite altered felsic rock stops at 335.0 m by an intruding, younger, mafic dyke. The last meters of the drill hole are dominated by more volcaniclastic looking rock until the end of hole depth at 356.0 m.

Figure 1: Plan View Drill Holes at Tomtebo Mine



918-1030 West Georgia Street, Vancouver, BC, V6E 2Y3
Telephone: (604) 288-4430

Table 1: Tomtebo Drill Assay Results

Drill Hole				Depths and Interval			Assay Results						
Hole ID	**Azimuth**	**Dip**	**Total Depth (m)**	**From (m)**	**To (m)**	**Interval (m)**	**Ag (g/t)**	**Zn (%)**	**Pb (%)**	**Au (g/t)**	**Cu (%)**	**AgEq (g/t)**	**ZnEq (%)**
TOM21-004	40	-65	300.00	191.70	192.30	0.60	4.77	2.25	0.19	0.07	0.05	111.01	2.86
				194.60	197.00	2.40	10.36	0.51	0.36	0.24	0.15	83.67	2.16
				198.90	**205.40**	**6.50**	**46.74**	**3.81**	**2.21**	**0.37**	**0.22**	**332.48**	**8.58**
			incl.	**198.90**	**200.55**	**1.65**	**93.43**	**10.94**	**5.01**	**0.43**	**0.09**	**745.18**	**19.22**
TOM-21-005	81	-49	230.00	**No Significant Results**								0.00	0.00
TOM21-006	140	-65	221.00	116.00	117.00	1.00	9.89	1.32	0.55	0.06	0.15	100.29	2.59
				122.00	124.90	2.90	8.86	0.80	0.77	0.04	0.03	74.01	1.91
				134.80	**151.70**	**16.90**	**9.69**	**0.61**	**0.12**	**0.15**	**0.20**	**73.23**	**1.89**
			incl.	**150.90**	**151.70**	**0.80**	**9.38**	**3.71**	**0.23**	**0.09**	**0.16**	**186.33**	**4.81**
				155.05	**155.90**	**0.85**	**48.20**	**8.10**	**2.50**	**0.61**	**0.16**	**530.47**	**13.68**
				161.25	163.00	1.75	17.32	0.89	0.26	0.35	0.40	138.92	3.58
				170.60	177.50	6.90	18.94	0.22	0.43	0.19	0.12	74.88	1.93
TOM21-007	140	-57	257.00	127.00	128.00	1.00	15.75	1.64	0.90	0.10	0.02	122.57	3.16
				135.00	136.50	1.50	5.59	0.44	0.20	0.12	0.20	61.27	1.58
				151.60	154.20	2.60	3.79	0.66	0.01	0.09	0.18	58.06	1.50
				186.35	**187.10**	**0.75**	**61.80**	**2.64**	**1.76**	**0.07**	**0.22**	**253.19**	**6.53**
				198.70	200.80	2.10	15.61	1.04	0.59	0.19	0.20	116.63	3.01
				206.80	**218.20**	**11.40**	**11.24**	**0.61**	**0.17**	**0.43**	**0.26**	**113.40**	**2.92**
			incl.	**206.80**	**209.40**	**2.60**	**21.60**	**0.89**	**0.28**	**1.30**	**0.66**	**273.66**	**7.06**
				221.10	231.00	9.90	13.00	0.47	0.20	0.19	0.23	82.50	2.13
TOM21-008	135	-68	295.20	**218.70**	**224.00**	**5.30**	**20.81**	**3.38**	**1.16**	**0.21**	**0.13**	**226.71**	**5.85**
			incl.	**220.80**	**224.00**	**3.20**	**24.65**	**3.34**	**1.25**	**0.27**	**0.18**	**244.38**	**6.30**
				229.10	**237.80**	**8.70**	**13.98**	**2.27**	**0.82**	**0.16**	**0.09**	**156.49**	**4.04**
			incl.	**229.10**	**231.20**	**2.10**	**21.05**	**3.76**	**1.29**	**0.22**	**0.09**	**243.08**	**6.27**
TOM21-009	135	-57	308.00	113.20	119.00	5.80	15.64	1.55	0.97	0.09	0.04	122.57	3.16

				123.00	123.80	0.80	21.40	1.72	2.20	0.12	0.01	177.75	4.58
				131.40	137.00	5.60	14.16	1.45	0.64	0.10	0.10	112.96	2.91
			incl.	133.80	137.00	3.20	21.79	1.80	0.98	0.13	0.15	154.54	3.99
				141.40	**145.30**	**3.90**	**20.31**	**3.66**	**1.47**	**0.22**	**0.07**	**243.45**	**6.28**
			incl.	**144.00**	**145.30**	**1.30**	**30.50**	**7.11**	**2.31**	**0.35**	**0.03**	**426.56**	**11.00**
				147.90	**149.30**	**1.40**	**9.59**	**5.32**	**0.14**	**0.06**	**0.02**	**229.29**	**5.91**
				152.10	154.00	1.90	7.91	1.03	0.43	0.05	0.06	74.01	1.91
				157.00	159.00	2.00	14.80	1.71	0.75	0.19	0.03	130.59	3.37
				184.65	**185.00**	**0.35**	**53.20**	**0.10**	**0.07**	**3.96**	**3.74**	**861.73**	**22.23**
				187.00	187.50	0.50	39.50	1.00	1.91	0.05	0.06	155.03	4.00
				213.00	218.00	5.00	16.29	1.32	0.55	0.08	0.14	109.08	2.81
				221.70	227.60	5.90	26.11	1.19	1.15	0.10	0.11	133.50	3.44
			incl.	**227.00**	**227.60**	**0.60**	**79.40**	**3.14**	**3.81**	**0.25**	**0.12**	**370.55**	**9.56**
				232.30	232.70	0.40	23.00	0.74	0.27	0.35	0.51	149.43	3.85
				265.50	272.70	7.20	16.03	0.63	0.23	0.62	0.16	132.18	3.41
TOM21-010	140	-48	293.00	**109.00**	**110.00**	**1.00**	**45.10**	**1.37**	**3.67**	**0.46**	**0.07**	**281.02**	**7.25**
				195.35	197.45	2.10	10.77	0.91	0.26	0.12	0.15	82.74	2.13
				201.30	202.40	1.10	14.95	0.60	0.23	0.10	0.13	69.52	1.79
				205.40	207.90	2.50	9.22	0.09	0.02	0.45	0.27	89.46	2.31
				212.30	213.35	1.05	7.41	0.03	0.03	0.12	0.37	58.43	1.51
TOM21-011	140	-69	350.00	144.20	149.30	5.10	11.15	1.78	0.83	0.13	0.07	130.40	3.36
				163.90	165.20	1.30	17.12	1.33	1.11	0.11	0.06	124.48	3.21
				167.60	168.20	0.60	9.48	2.08	0.33	0.08	0.07	116.45	3.00
				185.50	186.30	0.80	9.28	2.04	0.15	0.09	0.17	119.53	3.08
				201.00	201.50	0.50	20.90	1.97	1.53	0.06	0.06	161.15	4.16
				231.60	**234.60**	**3.00**	**73.25**	**0.69**	**2.26**	**0.27**	**0.01**	**207.74**	**5.36**
			incl.	**232.60**	**234.60**	**2.00**	**103.13**	**0.56**	**3.05**	**0.36**	**0.01**	**269.15**	**6.94**
				237.40	239.60	2.20	33.81	0.80	0.60	0.11	0.01	98.35	2.54
				276.90	278.20	1.30	2.85	2.06	0.02	0.04	0.14	101.44	2.62
				279.50	**286.30**	**6.80**	**26.19**	**1.19**	**0.43**	**0.59**	**0.22**	**173.65**	**4.48**
			incl.	**279.50**	**283.30**	**3.80**	**39.87**	**1.49**	**0.69**	**0.98**	**0.31**	**259.90**	**6.70**

				291.30	296.60	5.30	13.26	1.25	0.20	0.12	0.12	93.48	2.41
				303.80	305.50	1.70	18.70	1.70	0.51	0.19	0.11	133.79	3.45
TOM21-012	140	-70	356.00	292.90	296.30	3.40	5.95	1.38	0.51	0.20	0.13	111.53	2.88
				301.90	**328.20**	**26.30**	**24.45**	**0.78**	**0.42**	**0.17**	**0.56**	**142.60**	**3.68**
			incl.	**308.55**	**312.35**	**3.80**	**35.70**	**1.70**	**0.88**	**0.26**	**0.74**	**233.39**	**6.02**

Notes:

- **All intervals are core lengths, and true thicknesses are yet to be determined. Mineral resource modeling is required before true thicknesses can be estimated.**
- **Cut-off grade of 50 g/t AgEq or 1.2% ZnEq was utilized, which may include up to 2.0 m of internal dilution. Underground mining cut-off at the nearby Garpenberg Mine was US$32/tonne in 2020.**
- **Metal prices used in USD for the AgEq and ZnEq cut-off calculations were based on Ag $15.00/oz, Au $1650/oz, Cu $2.15/lb, Zn $0.85/lb, and Pb $0.75/lb.**
- **AgEq = Ag g/t + (Au g/t × 110) + (Cu% × 98.286) + (Zn% × 38.857) + (Pb% × 34.286)**
- **ZnEq = Zn% + (Ag g/t × 0.0257) + (Au g/t x 2.831) + (Cu% × 2.529) + (Pb% × 0.882)**
- **The use of AgEq and ZnEq is to calculate cut-off grades for exploration purposes, and no adjustments were made for metal recovery.**

Figure 2: TOM21-004 Sulphide Mineralization from 199.7 to 204.4 m

Figure 3: TOM21-008 Sulphide Mineralization from 217.45 to 222.2 m

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.*

The drill core reported in this news release was logged and prepared at the District Metals AB core facility in Säter, Sweden before submittal to ALS Geochemistry in Malå, Sweden where the drill core is cut, bagged, and prepared for analysis. Sample pulps were sent to ALS Geochemistry in Ireland (an accredited mineral analysis laboratory) for analysis. Samples were analyzed using a multi-element ultra trace method combining a four-acid digestion with ICP-MS analytical

package (“ME-MS61”). Over limit sample values were re-assayed for: (1) values of zinc >1%; (2) values of lead >1%; (3) values of copper >1%; and (4) values of silver >100 g/t using the high-grade material ICP-AES analytical package (“ME-OG62”). Additional over limit sample values were re-assayed for: (1) values of zinc >30%; (2) values of lead >20% using the high precision analysis of base metal ores AAS analytical package (“Zn, Pb-AAORE”). Gold, platinum, and palladium were analyzed using the 30 g lead fire assay with ICP-AES finish analytical package (“PGM-ICP23”). Certified standards, blanks, and duplicates were inserted into the sample shipment to ensure integrity of the assay process. Selected samples were chosen for duplicate assay from the coarse reject and pulps of the original sample. No QA/QC issues were noted with the results reported.

Some of the data disclosed in this news release is related to historical drilling results. 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. District considers these historical drill results relevant as the Company is using this data as a guide to plan exploration programs. The Company's current and future exploration work includes verification of the historical data through drilling.

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.

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 is located in the Bergslagen Mining District of south-central Sweden is the Company’s main focus. Tomtebo comprises 5,144 ha, and is situated between the historic Falun Mine and Boliden’s Garpenberg Mine that are 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 on, 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

(604) 288-4430

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 information" with respect to the Company 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 statements that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved" and any similar expressions. In addition, any statements that refer to expectations, predictions, indications, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events. Forward-looking statements in this news release relating to the Company include, among other things, statements relating to the Company's planned exploration activities, including its drill target strategy and next steps for the Tomtebo Property; the company's interpretations and expectations about the mineralization of the Tomtebo mine; the Company's belief that the numerous gravity high anomalies identified at the historic Tomtebo Mine provide immense expansion potential; the Company's belief that the modeled gravity high anomalies at the historic Tomtebo Mine could correspond with polymetallic and/or iron sulphide mineralization, or a mafic unit; and the Company's belief that the gravity high anomaly located one kilometer to the northeast of the Tomtebo Mine represents a potential grassroots discovery opportunity with a modeled tonnage that compares with the historic production tonnage from the historic Falun Mine.

These statements and other forward-looking information are based on opinions, assumptions and estimates made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, as of the date of this news release, 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; and stability in financial and capital markets.*

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks associated with the following: the reliability of historic data regarding the Tomtebo Property; the Company's ability 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); the Company's limited operating history; the Company's negative operating cash flow and dependence on third-party financing; the uncertainty of additional funding; the uncertainties associated with early stage exploration activities including general economic, market and business conditions, the regulatory process, failure to obtain necessary permits and approvals, technical issues, potential delays, unexpected events and management's capacity to execute and implement its future plans; the Company's ability to identify any mineral resources and mineral reserves; the substantial expenditures required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources; the Company's dependence on one material project, the Tomtebo Property; the uncertainty of estimates used to calculated mineralization figures; changes in governmental regulations; compliance with applicable laws and regulations; competition for future resource acquisitions and skilled industry personnel; reliance on key personnel; title matters; conflicts of interest; environmental laws and regulations and associated risks, including climate change legislation; land reclamation requirements; changes in government policies; volatility of the Company's share price; the unlikelihood that shareholders will receive dividends from the Company; potential future acquisitions and joint ventures; infrastructure risks; fluctuations in demand for, and prices of gold, silver and copper; fluctuations in foreign currency exchange rates; legal proceedings and the enforceability of judgments; going concern risk; risks related to the Company's information technology systems and cyber-security risks; and risk related to the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. For additional information regarding these risks, please see the Company's Annual Information Form, under the heading "Risk Factors", which is available at www.sedar.com. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Also, many of such factors are beyond the control of the Company. Accordingly, readers should not place undue reliance on forward-looking statements or information. The forward-looking information is made as of the date of this news release, and the Company assumes no obligation to publicly update or revise such forward-looking information, except as required by applicable securities

laws. All scientific and technical information contained in this news release has been prepared by or reviewed and 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.