



District Commences Airborne Electromagnetic and Magnetic Survey at Gruvberget and Svärdsjö Properties

Vancouver, B.C.

November 9, 2021

November 9, 2021 – District Metals Corp. (TSX-V: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to announce that an airborne electromagnetic ("EM") and magnetic survey has commenced on the Company's recently acquired Gruvberget and Svärdsjö Properties, located in the Bergslagen Mining District in south-central Sweden (Figure 1).

Garrett Ainsworth, CEO of District, commented: "We flew SkyTEM at our flagship Tomtebo Property in July 2020, and it was very effective in identifying conductive and magnetic anomalies that have contributed to significant polymetallic drill intersections during our Phase I and ongoing Phase II drill programs. The SkyTEM electromagnetic system has advanced greatly in the last 10 years with survey penetration reaching depths that were once never thought possible. This is an important exploration tool for us working in the Bergslagen District where polymetallic deposits extend from surface to depths greater than 1600 m such as is the case at Boliden's Garpenberg Mine and Lundin Mining's Zinkgruvan Mine."

The Company retained SkyTEM Surveys ApS based out of Denmark to undertake detailed heliborne SkyTEM312 HP (transient electromagnetic – high power) and magnetic surveys over the Gruvberget and Svärdsjö Properties. The SkyTEM survey at Gruvberget will cover the entire property comprising an area of 5,286 hectare (ha) with approximately 686 line-kilometers at a line spacing of 100 m that strike east to west and north to south (Figure 2). The survey at Svärdsjö will cover the entire 1,037 ha with approximately 112 line-kilometers at a line spacing of 100 m that strike northwest to southeast (Figure 3).

The SkyTEM312 HP Survey is capable of detecting conductive polymetallic sulphide mineralization to depths of 500 m or greater. The Gruvberget and Svärdsjö Properties are underlain by an ideal geological environment for effective EM data collection in that the volcanic and intrusive country rocks are very resistive, in contrast to the conductive sulphide mineralization, which will provide excellent resolution of any EM conductive anomaly identified. Also, the absence of graphitic geological units on the Properties is conducive to distinguishing between sulphide- and graphite-sourced EM conductors, which is otherwise a challenge that typically requires follow-up ground EM surveys to resolve.

In general, it is anticipated that the SkyTEM312 HP survey will identify the copper-gold dominant sulphide mineralization (feeder zones) as a moderate to strong conductor while the

silver-zinc-lead dominant sulphide mineralization (distal zones) may not show a conductive response or possibly a weak conductive response due to the zinc sulphide mineralization that is not conductive. However, the silver-zinc-lead mineralization in the district often has associated magnetic sulphides, which is expected to be detected as a moderate to strong magnetic high. The EM and magnetic data acquired from the SkyTEM312 HP survey will be interpreted by Condor Consulting, and EM and magnetic plates will be generated to identify high priority target areas for ground follow up.

The Company also granted a total of 380,000 stock options to a consultant of the Company, in accordance with the provisions of its stock option plan. Each stock option is exercisable at \$0.285 per common share (being above the closing price of the Company's common shares on November 5, 2021, the grant date). The stock options have a term of five years and vest on the grant date.

Figure 1: District Metals Mineral Licenses in the Bergslagen Mining District

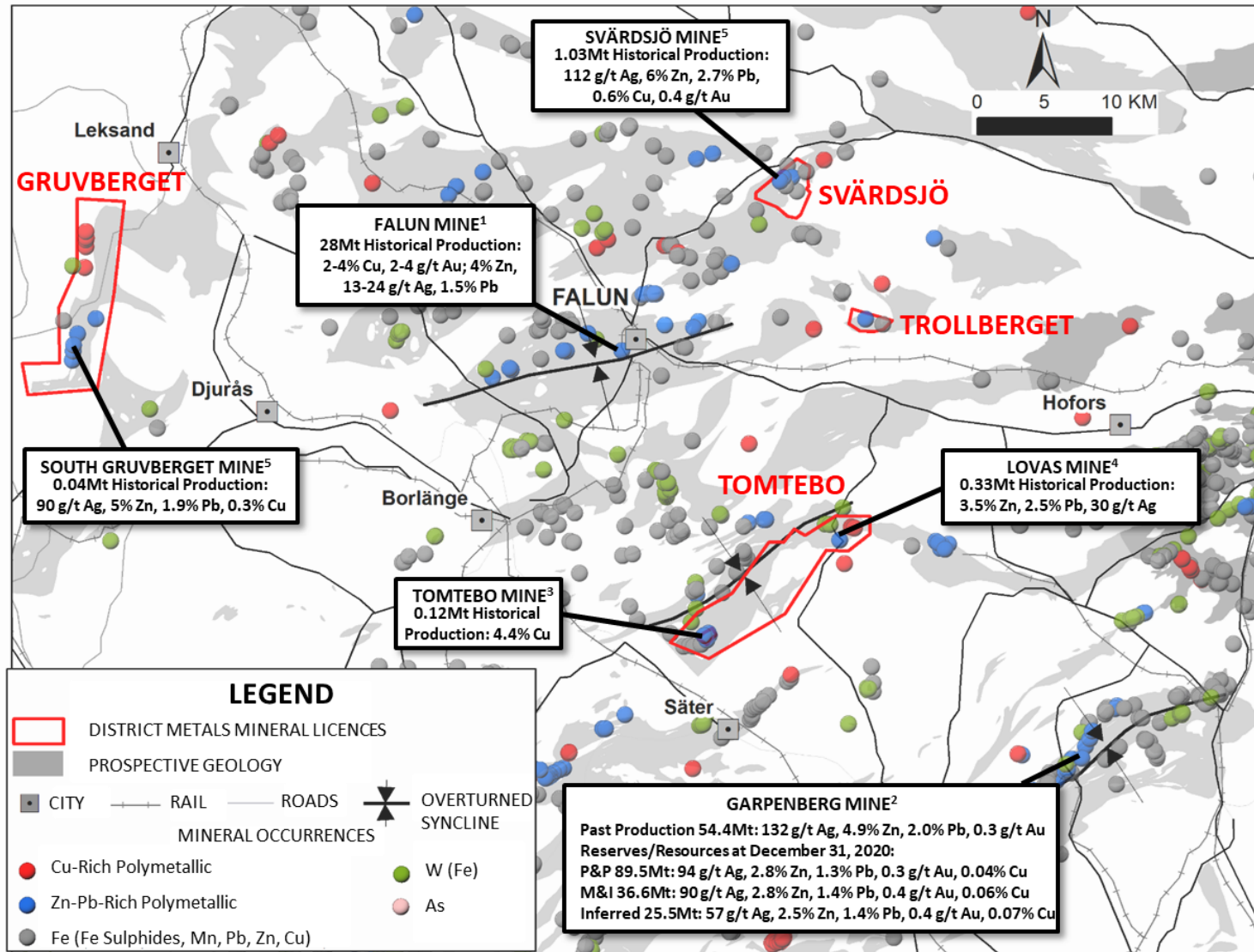


Figure 2 – Gruvberget Property SkyTEM Survey Lines

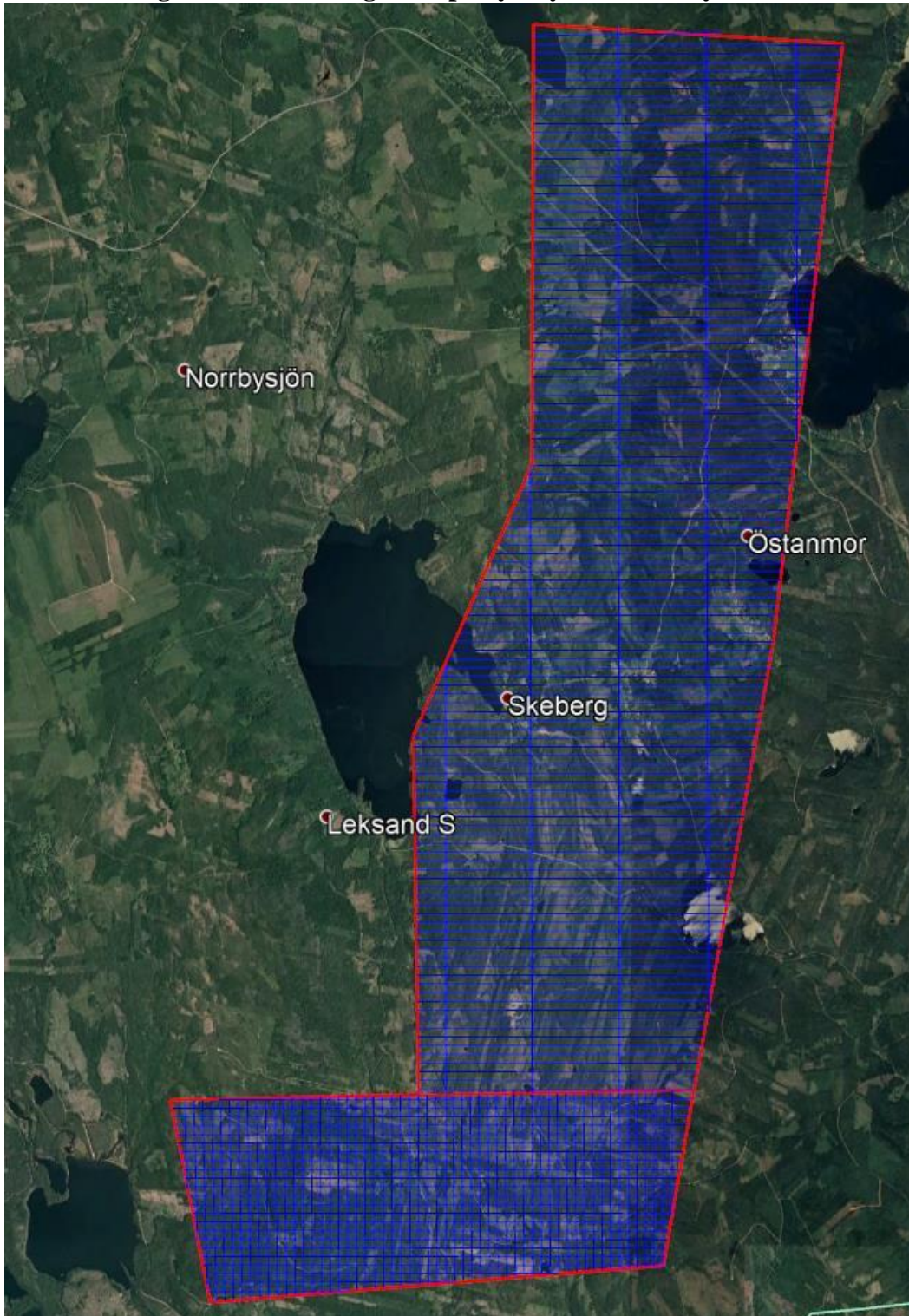
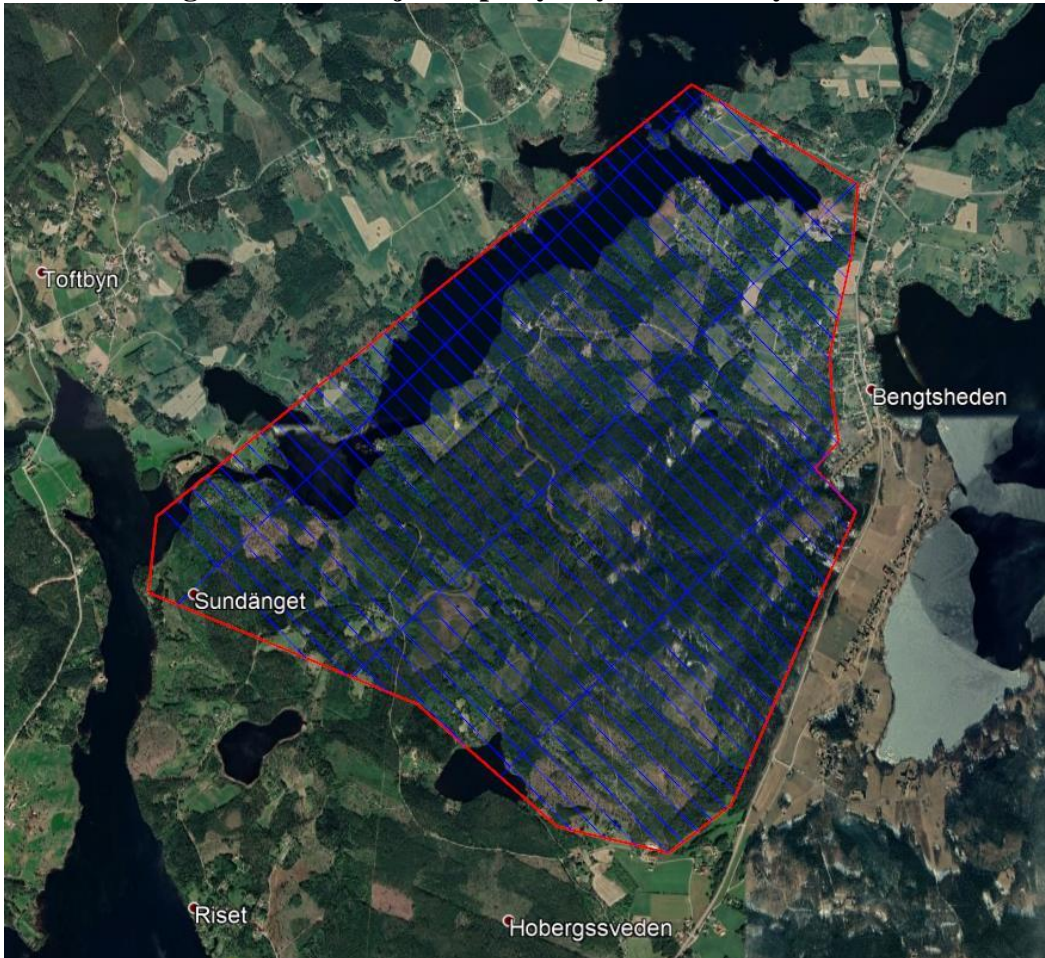


Figure 3 – Svärdsjö Property SkyTEM Survey Lines



References

¹ Allen, R.L., Lundström, I., Ripa, M., and Christofferson, H., 1996, Facies analysis of a 1.9 Ga, continental margin, back-arc, felsic caldera province with diverse Zn-Pb-Ag-(Cu-Au) sulfide and Fe oxide deposits, Bergslagen region, Sweden: *Economic Geology*, v. 91, p. 979–1008.

² <https://www.boliden.com/globalassets/operations/exploration/mineral-resources-and-mineral-reserves-pdf/2020/resources-and-reserves-garpenberg-2020-12-31.pdf>

³ Ed. Eilu, Pasi, 2012, Geological Survey of Finland, Special Paper 53, Metallogenic areas in Sweden.

⁴ Geological Survey of Sweden report grb_097, 1997.

⁵ Sveriges Geologiska Undersökning (SGU) Map Viewer:
<https://apps.sgu.se/kartvisare/kartvisare-malm-mineral.html>

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.

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.

For further information on the Tomtebo Property, please see the technical report entitled "NI 43-101 Update Technical Report on the Tomtebo Project, Bergslagen Region of Sweden" dated effective October 15, 2020 and amended and restated on February 26, 2021, which is available on SEDAR at www.sedar.com.

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 “**Tomtebo 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 Tomtebo 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 calculate 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.

