



## District Reports on Historic Shallow and High Grade Polymetallic Drill Intercepts at the Former Tomtebo Mine

Vancouver, B.C.

July 6, 2020

**July 6, 2020 – District Metals Corp. (TSX-V: DMX; "District" or the "Company")** is pleased to announce that it has progressed the compilation of historical drill data, and the Leapfrog 3D geological model of the historic Tomtebo Mine located within District's polymetallic Tomtebo Property in the Bergslagen Mining District of south-central Sweden. In partnership with EMX Royalty Corp. (TSX-V:EMX), this work represents an important development for the Tomtebo Property that has never been previously conducted, and has already identified exceptional drill ready targets.

Historic drill highlights from the Oscarsgruvan zone at the Tomtebo Mine show significant polymetallic mineralization at shallow depths (within 200 m from surface) that is open along strike and at depth. These historic highlights are from drilling campaigns by Stora AB from 1916 to 1972.

### Oscarsgruvan Historic Drill Highlights

The Oscarsgruvan zone is situated at the north end of the Tomtebo Mine, and is dominated by silver-zinc-lead mineralization with lesser copper-gold mineralization. The holes highlighted below show strong mineralization associated with semi-massive and massive sulphides over a dip extent of 200 m and strike extent of 170 m that remains open.

- Hole **TOMT65001** was drilled from surface and intersected **4.67 m at 1,087.0 g/t AgEq<sub>1</sub> or 28.0% ZnEq<sub>2</sub>** (113.90 to 118.57 m) at the north end of the Tomtebo Mine, which remains open along dip and strike.
- Hole **TOMT65002** was drilled from surface and intersected **4.45 m at 665.3 g/t AgEq<sub>1</sub> or 17.2% ZnEq<sub>2</sub>** (116.35 to 120.80 m) approximately 170 m east of TOMT65001, which remains open along dip and strike.
- Hole **TOMT72005** was drilled upwards from the -200 m level and intersected **2.02 m at 746.3 g/t AgEq<sub>1</sub> or 19.3% ZnEq<sub>2</sub>** (31.34 to 33.36 m), and **8.12 m at 503.3 g/t AgEq<sub>1</sub> or 13.0% ZnEq<sub>2</sub>** (35.33 to 43.45 m) approximately 45 m down-dip from TOMT65001, which remains open along dip and strike.

- Hole **TOMT70016** was drilled horizontally from the -200 m level and intersected **4.76 m at 648.1 g/t AgEq<sub>1</sub> or 16.7% ZnEq<sub>2</sub>** (20.70 to 25.46 m), and **13.30 m at 16.2% ZnEq<sub>2</sub>** (30.10 to 43.40 m) approximately 100 m down-dip from TOMT65001, which remains open along dip and strike. Silver and gold assays in the latter interval of hole TOMT70016 are not available.
- Hole **TOMT43002** was drilled from surface and intersected **6.20 m at 16.3% ZnEq<sub>2</sub>** (41.70 to 47.90 m) approximately 100 m up-dip from TOMT65001, which remains open along dip and strike. Silver and gold assays for hole TOMT43002 are not available.

The historic polymetallic drill results are reported in AgEq and ZnEq due to the high silver and zinc values that are also common throughout the Bergslagen Mining District. In 2019, reported revenue from the nearby Garpenberg Mine was accounted by silver at 30%, zinc at 40%, lead at 20%, and gold-copper at 10%<sup>5</sup>.

The highlighted historic drill holes are shown on plan map and long section in Figures 1 and 2, respectively. Figure 3 shows the location of the Tomtebo and Trollberget Properties within the Bergslagen Mining District. Table 1 shows individual assay results for silver, gold, copper, zinc, and lead that comprise the AgEq and ZnEq values above. Table 2 shows the production, mineral reserve, and mineral resource tonnage and grade for some of the past and current operating mines in the Bergslagen Mining District.

Garrett Ainsworth, CEO of District, commented: “These historic drill intercepts from the Tomtebo Mine show impressive continuity along strike and dip, where strong polymetallic mineralization remains open in all directions. The significant widths and high grade polymetallic mineralization encountered represent immediate drill targets at the north end of the Tomtebo Mine as infill, and step outs along strike and below the -200 m level. Historic drilling results indicate that the Tomtebo Property has excellent potential to host a large mineralized system. Additional historic drilling data will be reported on as it is interpreted, and we look forward to commencing the first ever deep penetrating airborne electromagnetic survey (SkyTEM312 HP) across the Tomtebo Property in July.”

## **Background**

Mining activity at the Tomtebo Mine began in the mid-seventeenth century until the 1900’s with available records only showing historic production of 120,000 tonnes averaging 4.4% copper<sup>3</sup>. No records have been found on the recovery of gold, silver, zinc, and lead from the polymetallic material that was extracted. In the 1960’s state-owned Stora AB (mining and forestry focused company) developed a -200 m level exploration drift used for exploration drilling into the early-1970’s. According to records obtained from the Swedish Geological Survey, Stora AB was preparing the Tomtebo Mine for production to commence following the closure of the Falun Mine, which is located 25 km to the northwest. The Swedish Government changed Stora AB’s mandate to solely focus on its forestry operations, which left the Tomtebo Mine undeveloped.

Since Stora AB’s ownership of the Tomtebo Mine, several companies have owned at least part of the current Tomtebo Property, but no significant work was conducted. Mining license records

indicate that this is the first time the historic Tomtebo and Lövås Mines have been consolidated into a contiguous land package that now covers a 17 km mineralized trend.

### **Recent Exploration**

The most notable work was completed between 2006 to 2012, consisting of limited geophysical surveys over the Tomtebo Mine that resulted in drilling of 227 m in just two shallow holes.

In 2018, EMX Royalty Corp. assayed eight rock grab samples from the Tomtebo Mine dump piles that ranged from 0.16 to 2.97% Cu, 0.07 to 2.45 g/t Au, 0.09 to 20.1% Zn, 0.04 to 10.8% Pb, and 3.1 to 383.0 g/t Ag<sub>4</sub>. *Rock grab samples are selective samples by nature and as such are not necessarily representative of the mineralization hosted across the Property.* In general, elevated gold values are associated with high grade copper related to volcanic massive sulphide feeder style mineralization, and high grade silver values are associated with high grade zinc and lead related to sedimentary exhalative style mineralization.

Historical drill hole data, mine plans and sections, and reports on the Tomtebo Mine were obtained from an archive named Arkivcentrum Dalarna located in the town of Falun, which is located 25 km northwest from the Tomtebo Property. Archived data found for the Tomtebo Mine includes a total of 12,277 m in 139 historic holes that were drilled from surface or the -200 m level exploration drift. **Only eight drill holes tested beneath the -200 m level with the deepest hole reaching a vertical depth of 342 m from surface, and all holes encountered mineralization.** The drill assay results clearly show that polymetallic mineralization is open at depth and along strike. Partial or full assay data is only available from 84 drill holes at the Tomtebo Mine. Partial drill core of 34 drill holes is stored at the national core archive in Malå, Sweden, which has been examined by personnel from District and EMX Royalty Corp.

### **Polymetallic Mines in the Bergslagen Mining District**

The Bergslagen Mining District is known for very large polymetallic mineralized systems that exhibit volcanic massive sulphide (VMS), sedimentary exhalative (SedEx), and carbonate replacement (CRD) mineralization types (Figure 3 and Table 2). The precious metal content is significant in the Bergslagen with mineralization being either silver-zinc-lead dominant (distal zone) or gold-copper dominant (feeder zone). The Garpenberg Mine, historic Falun Mine, and Zinkgruvan Mine are examples of large mineralized systems in the Bergslagen that share similar geology, structure, alteration, and mineralization styles as information reviewed to date suggests are found on the Tomtebo Property.

Boliden's underground Ag-Zn-Pb-Au-Cu Garpenberg Mine is located 25 km to the southeast of the Tomtebo Property where silver-zinc-lead dominant ore is mined 1400 m below surface, and mineral resources extent to a depth of 1600 m that is open. Several mineralized bodies are mined at Garpenberg along a 4.5 km trend. Since Boliden took over the mine in 1957 a total of 54.4 Mt of ore has been processed at grades of 134 g/t Ag, 4.9% Zn, 2.1% Pb, 0.3 g/t Au, and significant unmined reserves and resources remain. In 2019, Boliden processed 2.86 Mt of ore at grades of 118 g/t Ag, 4.1% Zn, 1.5% Pb, and 0.26 g/t Au as per Boliden's Summary Report on Resources and Reserves for Garpenberg in 2019. Zinc accounted for 40% of the revenue with silver at 30%, lead at 20%, and gold-copper at 10%.

Stora AB operated the historic Au-Cu-Ag-Zn-Pb Falun Mine which is located 25 km to the northwest of the Tomtebo Property where gold-copper dominant ore was mined to at least 600 m below surface with mineralization that remains open. The mine was operated from the 10<sup>th</sup> Century up until 1992, and subsequently became a museum that was designated a UNESCO world heritage site in 2001. Records indicate that Falun produced at least 28.1 Mt at 2-4% Cu, 2-4 g/t Au, 4% Zn, 1.5% Pb, 13-25 g/t Ag from a combination of open pit and underground workings<sup>6</sup>.

Lundin Mining's underground Ag-Zn-Pb-Au-Cu Zinkgruvan Mine is located 175 km to the southwest of the Tomtebo Property where silver-zinc-lead dominant ore is mined 1300 m below surface, and mineral resources extent to a depth of 1600 m that is open. In the central part of Zinkgruvan, silver-zinc-lead mineralization is stratigraphically underlain by sub-stratiform copper-gold mineralization that is also being mined. Zinkgruvan is divided into two areas that comprise several mineralized bodies that extend for more than 5 km along strike and to depths of 1,600 m. The orebody thickness ranges from 3 to 40 m. Although continuous production has occurred since 1857, records from 1994 indicate that Zinkgruvan has produced 19.3 Mt at 9.9% Zn, 4.0% Pb, and 84 g/t Ag, and from 2010 has produced 0.9 Mt at 2.0% Cu. Significant unmined resources and reserves remain at Zinkgruvan<sup>7</sup>.

Information on the Garpenberg Mine, historic Falun Mine, and Zinkgruvan Mine has not been verified by District and is not necessarily indicative of the grades or tonnages of mineralization on the Company's Tomtebo Property.

### **Next Steps at Tomtebo Property**

- Historical data from the Tomtebo Mine continues to be digitized, compiled and interpreted, and further results will be released as interpretations are completed.
- A detailed airborne electromagnetic and magnetic survey will commence on the Tomtebo Property in July. Any conductive or magnetic high anomalies from the survey will be followed up as promising targets for high grade polymetallic mineralization.
- Conductive and magnetic high anomalies will be targeted as part of a broader prospecting, mapping, and sampling program in late-August. Detailed work will focus on the historic Tomtebo and Lövås Mines, and the numerous mineral occurrences on the Tomtebo Property.
- Dr. Rodney Allen, BSc, PhD, from Volcanic Resources has been retained to review all historical data and available drill core along with ongoing exploration data to assist in prioritizing drill targets. Dr. Allen was Manager, Geology Research and Development for the Boliden Group, in Sweden for ten years. Prior to that position, he studied several polymetallic ore deposits in Sweden. His geological interpretations were instrumental in the discovery of new ore bodies at Garpenberg and Renström.

**Figure 1: Plan View of Tomtebo Mine**

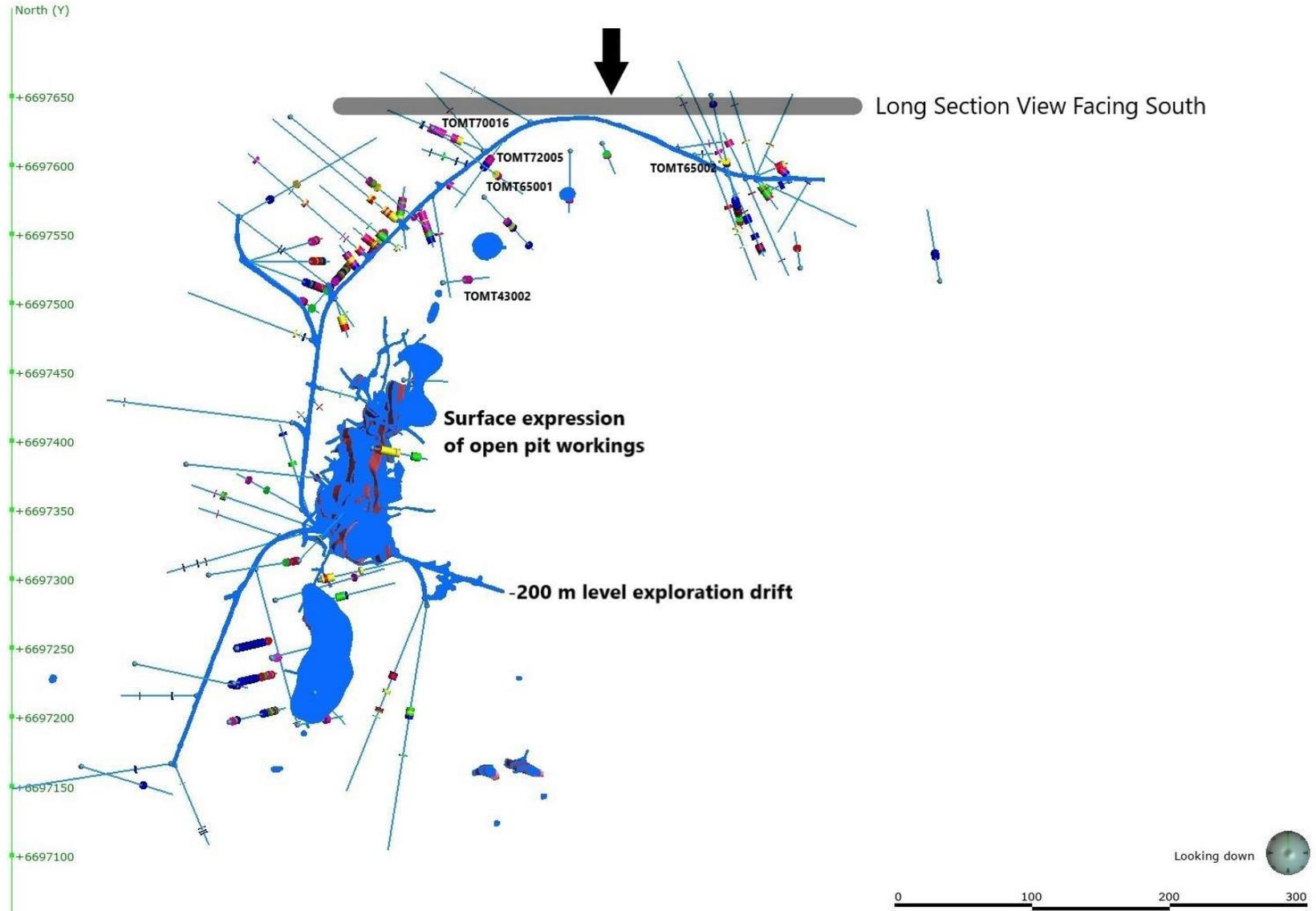
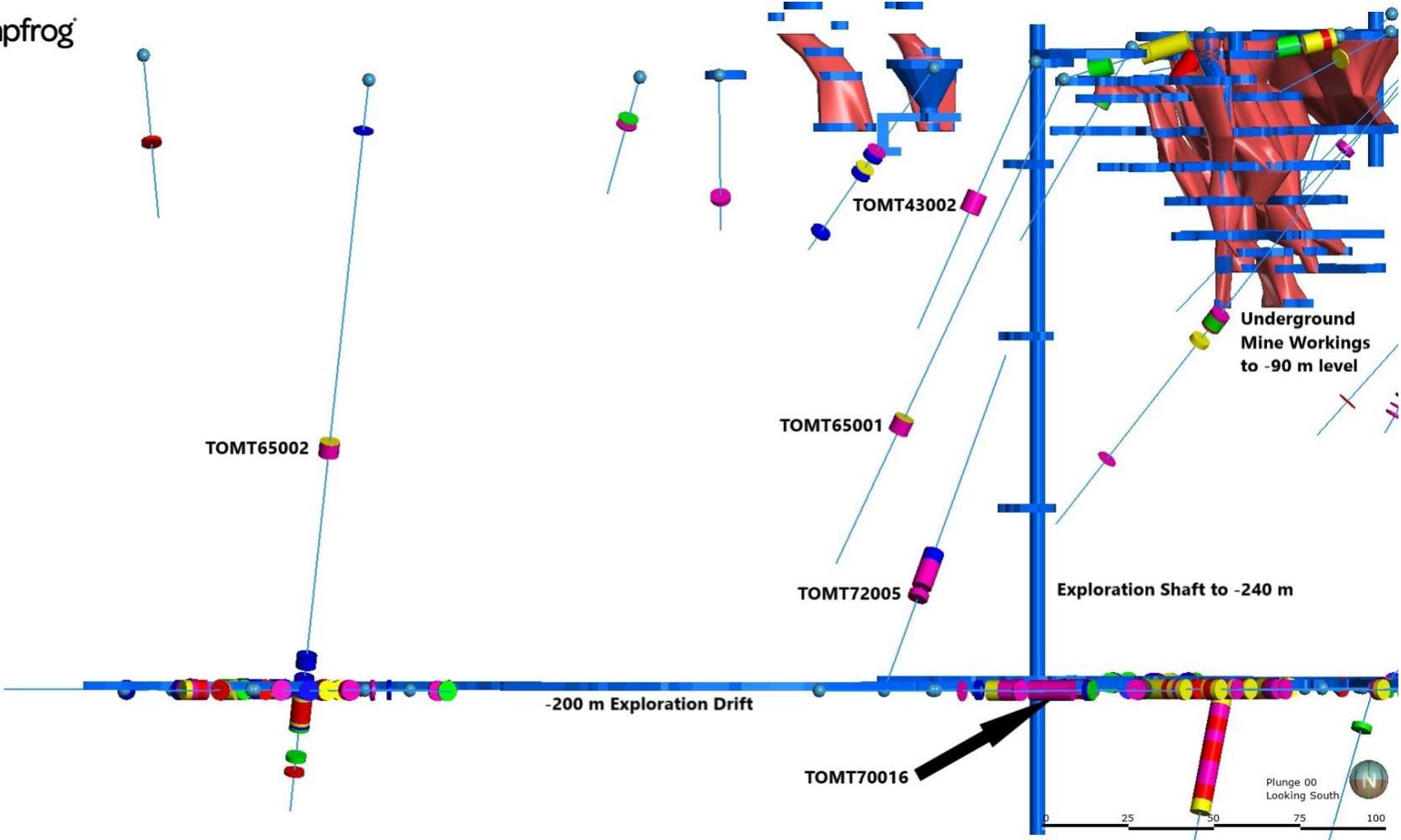
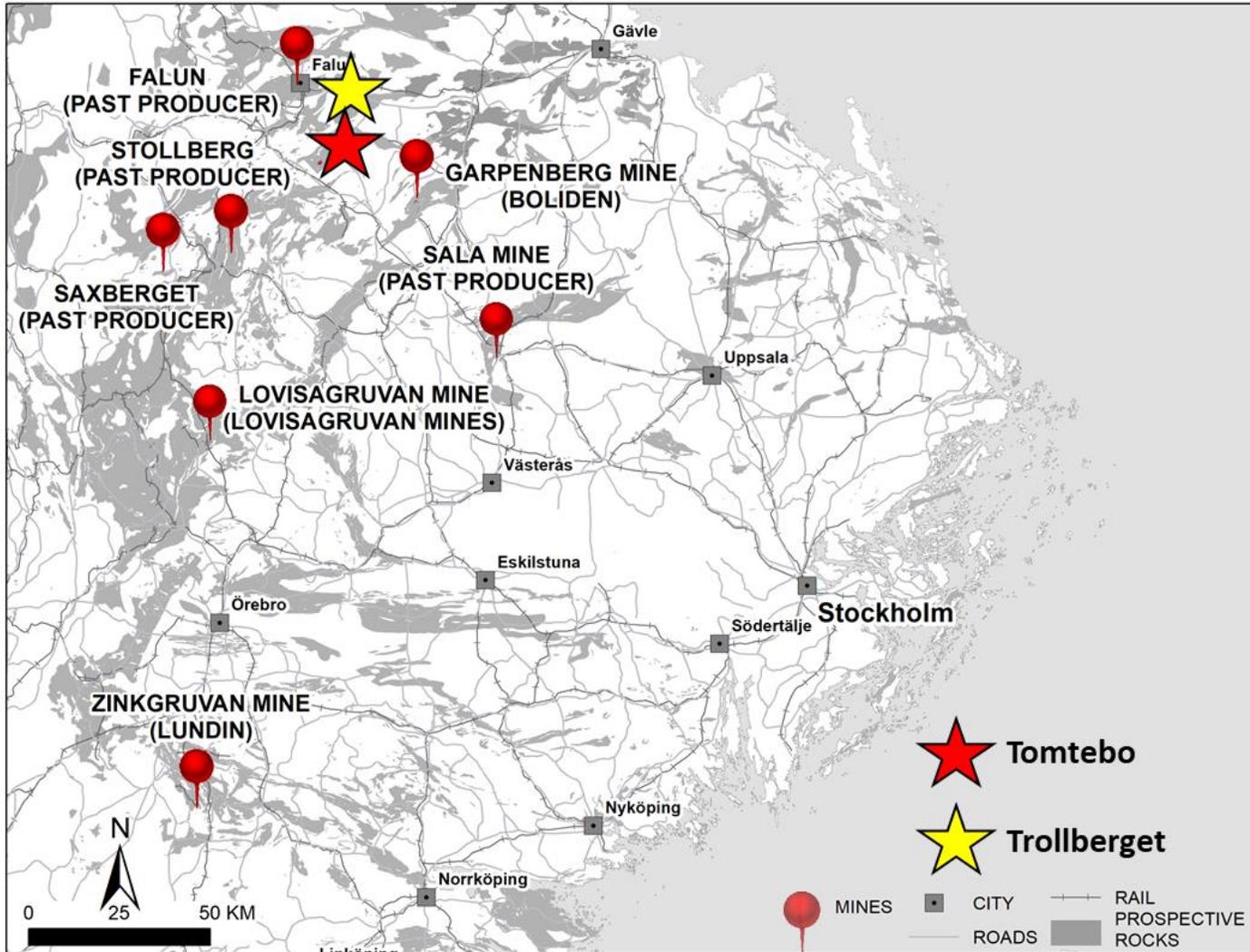


Figure 2: Long Section Facing South from North End of Tomtebo Mine



**Figure 3: Bergslagen Mining District**



**Table 1: Oscarsgruvan Zone Historical Drill Results**

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)	Cu (%)	Zn (%)	Pb (%)	AgEq (g/t)	ZnEq (%)
TOMT65001	127	-60	Surface	113.90	118.57	4.67	199.84	0.88	0.25	13.64	6.93	1,086.93	28.03
TOMT65002	167	-65	Surface	116.35	120.80	4.45	195.11	0.55	0.05	7.80	3.00	665.28	17.16
				196.80	206.86	10.06	33.50	0.29	0.56	0.15	0.01	127.28	3.28
TOMT72005	216	58	Underground	31.34	33.36	2.02	183.00	0.40	0.10	9.70	3.90	746.31	19.25
				35.33	43.45	8.12	87.86	0.57	0.13	5.82	3.33	503.26	12.98
TOMT70016	293	0	Underground	20.70	25.46	4.76	24.00	0.40	0.02	13.72	1.34	648.12	16.72
			Underground	30.10	43.40	13.30	na	na	0.06	14.39	1.94	na	16.24
TOMT43002	83	-66	Surface	41.70	47.90	6.20	na	na	0.19	11.22	5.16	na	16.25

**Notes:**

- True widths of the reported mineralized intervals have not been determined
- Metal prices used in USD for metal equivalent calculations were based on \$15.00/oz for Ag, \$1650/oz for Au, \$2.15/lb for Cu, \$0.85/lb for Zn and \$0.75/lb for Pb
- $AgEq\ equals = Ag\ g/t + (Au\ g/t \times 110) + (Cu\% \times 98.286) + (Zn\% \times 38.857) + (Pb\% \times 34.286)$
- $ZnEq\ equals = Zn\% + (Ag\ g/t \times 0.0257) + (Au\ g/t \times 2.831) + (Cu\% \times 2.529) + (Pb\% \times 0.882)$
- Metal equivalent calculations assume 100% recoveries
- na - not assayed
- 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. 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.

**Table 2: Bergslagen District Mine Tonnage and Grade**

<b>Mine</b>	<b>Tonnage of Production, Reserve, or Resource with Grades</b>
Falun Mine <sup>6</sup>	28.1 Mt Production at 2–4% Cu, 2-4 g/t Au, 4% Zn, 1.5% Pb, 13–25 g/t Ag
Garpenberg Mines <sup>5</sup>	54.4 Mt Production at 134 g/t Ag, 4.9% Zn, 2.1% Pb, 0.3 g/t Au
Garpenberg Mines <sup>5</sup>	74.8 Mt P&P at 96 g/t Ag, 3.1% Zn, 1.4% Pb, 0.3 g/t Au, 0.05% Cu
Garpenberg Mines <sup>5</sup>	44.3 Mt M&I at 90 g/t Ag, 2.8% Zn, 1.3% Pb, 0.4 g/t Au, 0.05% Cu
Garpenberg Mines <sup>5</sup>	24.1 Mt Inferred at 59 g/t Ag, 2.6% Zn, 1.5% Pb, 0.4 g/t Au, 0.07% Cu
Tomtebo Mine <sup>3</sup>	0.12 Mt Production at 4.4% Cu
Lovas Mine <sup>8</sup>	0.33 Mt Production at 3.5% Zn, 2.5% Pb, 30g/t Ag
Zinkgruvan Mine <sup>7</sup>	19.3 Mt Production at 9.9% Zn, 4.0% Pb, 84 g/t Ag 0.9 Mt Production at 2.0% Cu
Zinkgruvan Mine <sup>7</sup>	11.9 Mt P&P at 7.9% Zn, 2.9% Pb, 63 g/t Ag
Zinkgruvan Mine <sup>7</sup>	5.2 Mt P&P at 1.8% Cu, 0.2% Zn, 26 g/t Ag
Zinkgruvan Mine <sup>7</sup>	15.7 Mt M&I at 9.3% Zn, 3.7% Pb, 84 g/t Ag
Zinkgruvan Mine <sup>7</sup>	5.0 Mt M&I at 2.3% Cu, 0.3% Zn, 32 g/t Ag
Zinkgruvan Mine <sup>7</sup>	9.4 Mt Inferred at 8.5% Zn, 3.5% Pb, 81 g/t Ag
Zinkgruvan Mine <sup>7</sup>	0.2 Mt Inferred at 2.3% Cu, 0.3% Zn, 25 g/t Ag
Sala Mine <sup>6</sup>	5.0 Mt Production at 150-3000 g/t Ag, 12% Zn, 1.5% Pb
Stollberg (Gransgruvan Mine) <sup>9</sup>	6.7 Mt Production at 7.7% Zn, 2.6% Pb, 60 g/t Ag
Stollberg (Tvistbo Mine) <sup>10</sup>	0.58 Mt Production at 3.3% Zn, 2.6%, 22 g/t Ag
Saxberget Mine <sup>3</sup>	6.43 Mt Production at 42.2 g/t Ag, 0.4 g/t Au, 0.9% Cu, 2.2% Pb, 7.1% Zn
Lovisagruvan Mine <sup>11</sup>	1.15 Mt Production at 9.4% Zn, 5.3% Pb, 10-20 g/t Ag

**Note:** The mines within the Bergslagen District provide geologic context for the Tomtebo Property, but this is not necessarily indicative that the Tomtebo Property hosts similar grades or tonnages of mineralization. Information concerning the Falun, Tomtebo, Lovas, Sala, Stollberg, and Saxberget Mines is historic. District has not undertaken any independent investigation to verify the data. District considers this historical information relevant and reliable for the purposes of geological context and the potentially prospective nature of the Bergslagen District.

## References

<sup>1</sup>  $\text{AgEq equals} = \text{Ag g/t} + (\text{Au g/t} \times 110) + (\text{Cu\%} \times 98.286) + (\text{Zn\%} \times 38.857) + (\text{Pb\%} \times 34.286)$ . Metal prices used in USD for metal equivalent calculations were based on \$15.00/oz for Ag, \$1650/oz for Au, \$2.15/lb for Cu, \$0.85/lb for Zn and \$0.75/lb for Pb. Metal equivalent calculations assume 100% recoveries.

<sup>2</sup>  $\text{ZnEq equals} = \text{Zn\%} + (\text{Ag g/t} \times 0.0257) + (\text{Au g/t} \times 2.831) + (\text{Cu\%} \times 2.529) + (\text{Pb\%} \times 0.882)$ . Metal prices used in USD for metal equivalent calculations were based on \$15.00/oz for Ag, \$1650/oz for Au, \$2.15/lb for Cu, \$0.85/lb for Zn and \$0.75/lb for Pb. Metal equivalent calculations assume 100% recoveries.

<sup>3</sup> Ed. Eilu, Pasi, 2012, Geological Survey of Finland, Special Paper 53, Metallogenic areas in Sweden, p. 154.

<sup>4</sup> Grab rock samples were recovered from the mine dump piles at the historical Tomtebo and Lövås Mines by EMX Royalites Corp. in 2018. The rock samples were sent to ALS Geochemistry – Malå, Sweden for preparation, and subsequently pulps were sent to ALS Geochemistry – Ireland (an accredited mineral analysis laboratory) for analysis. Samples were analyzed using forty-one element inductively coupled plasma method (“ME-ICP41”). Over limit sample values were re-assayed for: (1) values of copper >1%; (2) values of zinc >1%; (3) values of lead >1%; and (4) values of silver >100 g/t. Samples were re-assayed using the ME-OG62 (high-grade material ICP-AES) analytical package. Gold determinations by this method are semi-quantitative due to the small sample weight used (0.5g). Certified standards and blanks 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.

<sup>5</sup> Boliden’s Summary Report on Resources and Reserves for Garpenberg in 2019 - [https://www.boliden.com/globalassets/operations/exploration/mineral-resources-and-mineral-reserves-pdf/2019/resources\\_and\\_reserves\\_garpenberg\\_2019-12-31.pdf](https://www.boliden.com/globalassets/operations/exploration/mineral-resources-and-mineral-reserves-pdf/2019/resources_and_reserves_garpenberg_2019-12-31.pdf) contains the key assumptions, parameters and methods used to prepare the mineral resource and reserve estimates contained herein in respect of the Garpenberg Mine.

<sup>6</sup> 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.

<sup>7</sup> Daffern, T., Ellis, R., King, P., Richardson, S., Glucksman, E., Beveridge, A., 2017, Wardell Armstrong International, NI 43-101 Technical Report for the Zinkgruvan Mine, Sweden.

<sup>8</sup> Geological Survey of Sweden report grb\_097, 1997.

<sup>9</sup> Raat, H., Jansson, N.F., and Lundstam, E., 2013, The Gränsgruvan Zn-Pb-Ag deposit, an outsider in the Stollberg ore field, Bergslagen, Sweden: *Geology Applied to Mineral Deposits*, Biennial Meeting, 12th, Uppsala, Sweden, August 12–15, 2013, Proceedings, p. 12–15.

<sup>10</sup> Kopparberg Mineral (unpub. annual report, 2012).

<sup>11</sup> Jansson, N.F., Sädbom, S, Allen, R.L, Billström, K, Spry, P.G., 2018, The Lovisa Stratiform Zn-Pb Deposit, Bergslagen, Sweden: Structure, Stratigraphy, and Ore Genesis: Economic Geology (2018) 113 (3): 699–739.

## **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 and Trollberget Properties. Mineralization on any other properties referred to herein is not necessarily indicative of mineralization on the Tomtebo and Trollberget Properties.

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. District considers these historical drill results relevant as the Company will use this data as a guide to plan future exploration programs. 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 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

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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” with respect to District Metals Corp. (“District” or 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 state that certain actions, events or results “may”, “could”, “would”, “might”, “will” or “will be taken”, “occur” or “be achieved”. 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 relating to District include, among other things, statements relating to District’s planned exploration activities.*

*These statements and other forward-looking information are based on opinions, assumptions and estimates made by District 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 (failing which the Tomtebo Property will be forfeited without any repayment to the Company); 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 District 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 the following factors; 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); risks related to management and conflicts of interest; fluctuations in demand for, and prices of gold, silver and copper; inherent risks of exploration for mineral deposits, including that commercial quantities or grades of minerals may not be discovered; risks associated with the uncertainty of estimates of mineral resources governmental regulations, particularly those applicable to the mineral exploration and development industry; environmental laws and regulations and associated risks, including climate change legislation; land reclamation requirements; the ability to obtain and maintain necessary rights, concessions and permits; risks of operating in a foreign jurisdiction and through foreign subsidiaries; a dependence on ability to attract and retain qualified management; limitations of insurance and uninsured risks; public social activism against companies undertaking natural resource development; risks associated with First Nations relations; competition; legal proceedings and the enforceability of judgments; anti-corruption and bribery regulations;; market events and general economic conditions globally; and currency exchange rate risks. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect District. 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.*