DISTRICT
METALS CORP.

Condensed Consolidated Interim Financial Statements and Management Discussion and Analysis for the Three and Nine Months Ended March 31, 2025

DISTRICT METALS CORP.

Condensed Consolidated Interim Financial Statements
For the three and nine months ended March 31, 2025 and 2024
(Expressed in Canadian Dollars - Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements of District Metals Corp. (the “Company”) have been prepared by and are the responsibility of the Company’s management.

The Company’s independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of the interim financial statements by an entity’s auditor.

DISTRICT METALS CORP.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars - Unaudited)

As at		March 31, 2025		June 30, 2024
ASSETS				
Current assets				
Cash and cash equivalents (Note 3)	$	4,204,071	$	5,861,955
GST and VAT receivable		294,390		254,659
Prepaid expenses		100,341		171,998
Investment (Note 4)		30,000		145,000
		4,628,802		6,433,612
Advances and deposits (Note 5)		457,728		23,403
Exploration and evaluation assets (Note 5)		7,786,682		7,548,017
TOTAL ASSETS	$	12,873,212	$	14,005,032
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Notes 6 and 13)	$	730,156	$	269,243
Advance from Boliden (Note 7)		553,632		948,214
TOTAL LIABILITIES		1,283,788		1,217,457
SHAREHOLDERS' EQUITY				
Share capital (Note 8)		73,715,175		73,347,633
Subscription receivable (Note 8)		(9,750)		-
Reserves (Note 9)		3,008,751		3,086,801
Accumulated deficit		(65,124,752)		(63,646,859)
TOTAL SHAREHOLDERS' EQUITY		11,589,424		12,787,575
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$	12,873,212	$	14,005,032

Nature of operations and going concern (Note 1)
Subsequent events (Note 14)

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on May 28, 2025. They are signed on behalf of the Board of Directors by:

"Joanna Cameron"
Director

"Garrett Ainsworth"
CEO and Director

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DISTRICT METALS CORP.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - Unaudited)

	Three months ended		Nine months ended	
	March 31, 2025	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
EXPENSES				
General and administrative costs	$ 16,913	$ 49,201	$ 235,127	$ 102,616
Marketing and investor relations	70,365	54,988	304,263	101,125
Salaries and consulting fees (Note 13)	200,979	228,125	696,264	682,850
Professional fees	114,418	23,867	274,444	125,611
Property investigation costs	-	17,171	-	24,293
Stock-based compensation (Note 9)	-	807,028	-	841,609
Transfer agent, regulatory and listing fees	45,030	15,615	161,692	40,125
OPERATING EXPENSES	447,705	1,195,995	1,671,790	1,918,229
OTHER EXPENSES (INCOME)				
Foreign exchange (gain) loss	(33,258)	42,171	(11,111)	(80,429)
Write-down of exploration and evaluation assets (Note 5)	-	-	1,357	-
Fair value loss (gain) on investment (Note 4)	20,000	5,000	115,000	(55,000)
Interest and dividend income (Note 3)	(32,393)	(46,719)	(144,880)	(100,624)
Other income (Note 5)	(79,381)	(37,086)	(154,263)	(48,633)
NET LOSS AND COMPREHENSIVE LOSS	$ 322,673	$ 1,159,361	$ 1,477,893	$ 1,633,543
Basic and diluted loss per share	$ 0.00	$ 0.01	$ 0.01	$ 0.01
Weighted average number of common shares outstanding	130,792,010	121,440,591	130,552,093	111,847,243

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DISTRICT METALS CORP.
Condensed Consolidated Interim Statements of Cash Flow
(Expressed in Canadian Dollars - Unaudited)

	Nine months ended	
	March 31, 2025	March 31, 2024
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Loss	**$ (1,477,893)**	$ (1,633,543)
Adjustments for items not affecting cash:		
Fair value loss (gain) on investment	**115,000**	(55,000)
Stock-based compensation	**-**	841,609
	(1,362,893)	(846,934)
Net changes in non-cash working capital items:		
GST and VAT receivable	**(39,731)**	(103,794)
Prepaid expenses and deposits	**(362,668)**	(220,981)
Accounts payable and accrued liabilities	**266,297**	338,362
Advance from Boliden	**(191,968)**	1,279,680
Net cash flows (used in) provided by operating activities	**(1,690,963)**	496,333
INVESTING ACTIVITIES		
Advances and deposits	**-**	(302,221)
Exploration and evaluation asset exploration expenditures	**(49,163)**	(226,086)
Net cash flows used in investing activities	**(49,163)**	(528,307)
FINANCING ACTIVITIES		
Proceeds from private placement, net of cash share issuance costs	**-**	4,030,629
Proceeds from compensation options exercised	**80,565**	10,000
Proceeds from warrants exercised	**5,000**	73,561
Share issuance costs	**(3,323)**	81,500
Net cash flows provided by financing activities	**82,242**	4,195,690
Net (decrease) increase in cash and cash equivalents	**(1,657,884)**	4,163,716
Cash and cash equivalents, beginning of year	**5,861,955**	2,525,835
Cash and cash equivalents, end of period	**$ 4,204,071**	$ 6,689,551

Supplemental cash flow information	**$**	$
Non-cash share issuance for exploration and evaluation assets	197,500	-
Exploration and evaluation assets included in accounts payable and accrued liabilities	9,350	32,281
Fair value of reallocation pursuant to stock option cancellation	-	101,734
Fair value of reallocation pursuant to warrant cancellation	-	144,000
Transfer of reserves on exercise of compensation options	78,050	250,000
Interest paid	-	-
Taxes paid	-	-

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

DISTRICT METALS CORP.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - Unaudited)

	Number of shares	Amount	Reserve	Subscription receivable	Accumulated deficit	Total
Balance, June 30, 2023	**106,980,707**	**$ 68,731,423**	**$ 2,474,060**	**$ -**	**$ (61,203,762)**	**$ 10,001,721**
				-		
Shares issued for property payments (Note 5)	1,000,000	250,000	-	-	-	250,000
Shares issued pursuant to private placement	20,500,000	3,783,520	247,109	-	-	4,030,629
Shares issued pursuant to stock option exercise (Note 8)	50,000	19,356	(9,356)	-	-	10,000
Shares issued pursuant to compensation option exercise (Note 8)	490,406	146,617	(73,056)	-	-	73,561
Shares issued pursuant to warrant exercise (Note 8)	407,500	81,500	-	-	-	81,500
Fair value reclassification pursuant to stock option expiry (Note 9)	-	-	(101,734)	-	101,734	-
Fair value reclassification pursuant to warrant expiry (Note 9)	-	-	(144,000)	-	144,000	-
Stock-based compensation	-	-	841,609	-	-	841,609
Net loss for the period	-	-	-	-	(1,633,543)	(1,633,543)
Balance, March 31, 2024	**129,428,613**	**$ 73,012,416**	**$ 3,234,632**	**$ -**	**$ (62,591,571)**	**$ 13,655,477**
Balance, June 30, 2024	**130,315,625**	**$ 73,347,633**	**$ 3,086,801**	**$ -**	**$ (63,646,859)**	**$ 12,787,575**
Shares issued for exploration and evaluation assets (Note 5)	500,000	197,500	-	-	-	197,500
Shares issued pursuant to compensation option exercise (Note 8)	484,914	158,615	(78,050)	-	-	80,565
Shares issued pursuant to warrant exercise (Note 8)	57,500	14,750	-	(9,750)	-	5,000
Share issuance costs	-	(3,323)	-	-	-	(3,323)
Net loss for the period	-	-	-	-	(1,477,893)	(1,477,893)
Balance, March 31, 2025	**131,358,039**	**$ 73,715,175**	**$ 3,008,751**	**$ (9,750)**	**$ (65,124,752)**	**$ 11,589,424**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

District Metals Corp. (the "Company" or "District Metals") was incorporated under the provincial laws of the Province of Alberta on July 24, 1989 and continued in the Province of British Columbia on March 31, 2006. The Company's registered office is located at 2200 – 885 West Georgia Street, Vancouver, BC, V6C 3E8. The Company is listed on the TSX Venture Exchange (the "Exchange") and trades under the symbol "DMX", on the Frankfurt Stock Exchange under the symbol "DFPP" and on the United States OTCQB under the symbol "DMXCF". On January 23, 2025, the Company's depository receipts began trading on Nasdaq First North Growth Market under the symbol "DMXSE SDB".

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. The Company currently is not generating any revenues. It has incurred a loss during the three and nine months ended March 31, 2025 of $322,673 (2024 - $1,159,361) and $1,477,893 (2024 - $1,633,543), respectively, had negative cash flows from operations since inception with an accumulated deficit of $65,124,752 as at March 31, 2025 (June 30, 2024 - $63,646,859). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. The Company's ability to raise additional funds is affected by numerous factors outside the Company's control, including in particular, the global economy and the status of the moratorium on uranium mining in Sweden. The global economy is currently characterized by increased volatility arising in part from inflationary pressure and geo-political risk in Europe and the Middle East. These condensed consolidated interim financial statements do not give effect to the required adjustments to the carrying amounts and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

The accounting policies followed by the Company are set out in Note 3 to the audited consolidated financial statements for the year ended June 30, 2024 and have been consistently followed in the preparation of these condensed consolidated interim financial statements.

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company's June 30, 2024 audited annual consolidated financial statements and the notes to such financial statements.

(b) Basis of presentation

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these condensed consolidated interim financial statements.

(c) Presentation and functional currency

The presentation and functional currency of the Company and its wholly owned subsidiaries, District Metals AB and Bergslagen Metals AB (both located in Sweden), is the Canadian dollar. All amounts in these condensed consolidated interim financial statements are expressed in Canadian dollars, unless otherwise indicated.

(d) Material accounting judgments and key sources of estimation uncertainty

Material accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in these condensed consolidated interim financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the respective entity operates; the functional currency of District Metals Corp., District Metals AB and Bergslagen Metals AB is determined to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Impairment of long-lived assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU"), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the consolidated statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Valuation of stock-based compensation

The Company uses the Black-Scholes option pricing model for valuation of stock-based compensation and either the Black-Scholes option pricing model or the Geske compound option pricing model for valuation of the compensation options depending on the terms of the equity compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, expected life and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company' earnings and equity reserves.

(Expressed in Canadian Dollars - Unaudited)

3. CASH AND CASH EQUIVALENTS

At March 31, 2025 and June 30, 2024, the Company's cash and cash equivalents are comprised of the following:

		March 31, 2025		June 30, 2024
Cash held in bank accounts	$	1,691,570	$	1,060,754
Cash equivalents		2,512,501		4,801,201
	$	**4,204,071**	**$**	**5,861,955**

Cash equivalents were held in cashable guaranteed investment certificates with an interest rate of 3.40% and 3.30% at March 31, 2025 and interest rates of 5.05% and 5.20% at June 30, 2024.

The cash held in bank accounts disclosed above and in the statement of cash flows includes $553,632 (June 30, 2024 - $948,214) of advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB (Note 5) and are therefore not available for general use.

4. INVESTMENT

The Company holds 1,000,000 common shares of Sherpa II Holdings Corp. ("Sherpa II") received in connection with the sale of an 80% interest in the Bakar Property by the Company to Sherpa II (Note 5). These shares are publicly traded on the Exchange and are held at FVTPL. As at March 31, 2025, the fair value of the shares was $30,000 (June 30, 2024 - $145,000). During the three and nine months ended March 31, 2025, the Company recorded a fair value loss on investment of $20,000 and $115,000 (2024 – fair value loss of $5,000 and fair value gain of $55,000) respectively, determined by reference to closing prices on the Exchange.

(Expressed in Canadian Dollars - Unaudited)

5. EXPLORATION AND EVALUATION ASSETS

	Tomtebo Property	Viken Property	Gruvberget Property	Bakar Property	Svärdsjö Property	Other Properties	Total
Acquisition Costs							
Balance, June 30, 2023	$ 1,715,857	$ -	$ 260,000	$ 32,051	$ 402,500	$ -	$ 2,410,408
Additions	100,499	412,375	42,450	-	8,334	138,374	702,032
Cost re-allocation	(95,151)	-	-	-	-	95,151	-
Impairment	-	-	-	-	(410,834)	-	(410,834)
Balance, June 30, 2024	$ 1,721,205	$ 412,375	$ 302,450	$ 32,051	$ -	$ 233,525	$ 2,701,606
Additions	-	197,500	-	-	-	-	197,500
Impairment	-	-	-	-	-	-	-
Balance, March 31, 2025	**$ 1,721,205**	**$ 609,875**	**$ 302,450**	**$ 32,051**	**$ -**	**$ 233,525**	**$ 2,899,106**
Deferred Exploration Costs							
Balance, June 30, 2023	$ 4,200,888	$ 2,089	$ 597,537	$ 95,147	$ 50,844	$ 3,504	$ 4,950,009
Consulting	230,345	22,592	5,131	17,854	2,189	65,371	343,482
Geochemistry	5,577	1,019	-	-	-	5,344	11,940
Drilling	477,173	-	-	-	-	-	477,173
Other costs (recovery)	(50,265)	5,392	980	2,336	3,664	8,521	(29,372)
Cost recovery	(850,124)	-	-	-	(5,753)	-	(855,877)
Impairment	-	-	-	-	(50,944)	-	(50,944)
Balance, June 30, 2024	$ 4,013,594	$ 31,092	$ 603,648	$ 115,337	$ -	$ 82,740	$ 4,846,411
Consulting	254,880	14,815	3,085	1,425	1,292	19,332	294,829
Geochemistry	22,561	394	-	-	-	-	22,955
Drilling	577,894	-	-	-	-	-	577,894
Other costs	57,666	1,755	-	150	65	209	59,845
Cost recovery	(913,001)	-	-	-	-	-	(913,001)
Impairment	-	-	-	-	(1,357)	-	(1,357)
Balance, March 31, 2025	**$ 4,013,594**	**$ 48,056**	**$ 606,733**	**$ 116,912**	**$ -**	**$ 102,281**	**$ 4,887,576**
Balance, June 30, 2024	$ 5,734,799	$ 443,467	$ 906,098	$ 147,388	$ -	$ 316,265	$ 7,548,017
Balance, March 31, 2025	**$ 5,734,799**	**$ 657,931**	**$ 909,183**	**$ 148,963**	**$ -**	**$ 335,806**	**$ 7,786,682**

a) Tomtebo Property

The Tomtebo Property is located in the Bergslagen Mining District of South Central Sweden.

On June 30, 2020, the Company completed its acquisition of 100% ownership of the Tomtebo (the "Tomtebo Property") from Viad Royalties AB, a wholly owned subsidiary of EMX Royalty Corp. ("EMX"). The consideration included a 2.5% net smelter royalty ("NSR") granted to EMX on the Tomtebo Property.

The Company completed all requirements to retain the Tomtebo property from Viad Royalties AB, a wholly owned subsidiary of EMX Royalty Corp. ("EMX") in fiscal 2021, except for certain payments due upon a mineral resource estimate and/or preliminary economic assessment. EMX retains a 2.5% net smelter returns ("NSR") royalty.
On October 27, 2023, the Company entered into a mineral property earn-in and option agreement (the "Earn-In Agreement") with Boliden Mineral AB ("Boliden") pursuant to which the Company, through its wholly-owned subsidiary District Metals AB, granted Boliden a right and option to acquire an 85% interest in the mineral claims comprising the Company's Tomtebo Property (the "Option").

Under the terms of the Earn-In Agreement, Boliden can exercise the Option by incurring an aggregate of $10 million of qualifying exploration expenditures on the Tomtebo Property and Boliden's Stollberg property, with such expenditures committed and non-refundable under the terms of the Earn-In Agreement, as follows:

- $2 million between October 27, 2023 and October 31, 2024, allocated equally between the Tomtebo and Stollberg properties; and
- $8 million during the period between November 1, 2024 and October 27, 2027, not less than $1 million of which is to be spent on the Tomtebo Property between November 1, 2024 and October 31, 2025, and not less than $1 million of which is to be spent on the Tomtebo Property between November 1, 2025 and October 31, 2027, with the remaining amount allocated between the Tomtebo and Stollberg properties.

The Company will act as operator during the Option stage and is entitled to a 7.5% fee on qualifying expenditures under the Earn-In Agreement. During the three and nine months ended March 31, 2025, the Company earned an operator fee of $60,521 (2024 - $36,886) and $135,403 (2024 - $46,847).

On exercise of the Option, Boliden will contribute 100% of the Stollberg property and the Company will contribute 100% of the Tomtebo Property to a joint venture to be formed between the parties pursuant to which the parties will hold their respective interests (85% Boliden, 15% District Metals) and through which the parties will advance the Tomtebo and Stollberg properties.

Under the terms of the joint venture, should the Company's interest be diluted below 10%, the joint venture will terminate and the Company's interest will be converted to a 1% net smelter returns ("NSR") royalty on the Tomtebo property. Provided the Tomtebo property has not been surrendered in accordance with the terms of the joint venture, upon being diluted below 10%, the Company will also be entitled to a one-time cash payment equal to two times the sum of: (i) all legacy costs associated with the Tomtebo property since June 1, 2020; (ii) the Company's proportionate share of expenditures during the Option stage attributable to the Tomtebo property; and (iii) costs attributable to the Tomtebo property and incurred by the Company during the joint venture stage up until the date of dilution.

Pursuant to the terms of the Earn-In Agreement, the Company received a $35,000 reimbursement of qualifying exploration expenditures incurred during the negotiation period of the Earn-In Agreement, which was recognized as a recovery of deferred exploration costs during the year ended June 30, 2024.

b) Viken Property

From April 2023 to January 2024, Bergslagen Metals AB, a wholly-owned subsidiary of District Metals, incorporated under the laws of Sweden, consolidated 100% of the Viken energy metals deposit located in Jämtland County, central Sweden through mineral license application and acquisition (the "Viken Property").

On January 15, 2024, the Company acquired the four mineral licenses covering the Viken deposit (Norra Leden, Norr Viken, Lill Viken and Storviken) pursuant to the Viken Extension Agreement. A summary of the principal terms of the acquisition are as follows:

- $50,000 cash paid to the vendor on closing (paid).
- $50,000 cash payable to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted.

- 1,000,000 District Metals shares issued to the vendor on closing (issued January 15, 2024 with a fair value of $250,000).
- 3,500,000 District Metals shares to be issued to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted. These District Metals shares will be subject to a voluntary lock-up pursuant to which 500,000 shares will be released four months after issuance, 500,000 shares will be released six months after issuance, 1,000,000 shares will be released twelve months after issuance, 1,000,000 shares will be released 18 months after issuance and 500,000 shares will be released twenty-four months after issuance.
- A 2% NSR royalty granted to the vendor on closing that can be repurchased (i) in its entirety at any time for a value of $8,000,000 or (ii) in respect of the first 1% for $2,000,000.

On January 31, 2025, the Company closed its acquisition of the 2% NSR Royalty over four of the mineral licenses covering the Viken deposit (Norra Leden, Norr Viken, Lill Viken and Storviken) for a purchase price consisting of 500,000 common shares of the Company (the “Viken NSR Consideration Shares”) to the Vendor (Note 8). As a result, the Viken Property is free of any NSR Royalty.

c) Gruvberget Property

The Gruvberget Property is located in the Bergslagen Mining District of South Central Sweden.

The Company has completed all requirements to retain the Gruvberget Property. Explora Mineral AB (“Explora”) retains a 2.5% NSR royalty on the Gruvberget Property subject to the Company’s option to repurchase the entire 2.5% NSR royalty for $8,000,000, at any time.

d) Bakar Property

The Bakar Property is located on the northwest of Vancouver Island, British Columbia west of Port Hardy.

Pursuant to the Bakar sale agreement with Sherpa II from December 18, 2020, the 2.0% NSR was carried over from the royalty agreement dated July 12, 2019 between the Company and Longford Capital Corp. on one of the eight mineral claims that comprises the Bakar Property. The 2.0% NSR may be repurchased entirely for $6,500,000 cash.

On November 10, 2022, the Company ratified an Exploration Management Agreement (the “Agreement”) between the Company and Sherpa II effective August 31, 2021, whereby the Company will conduct the exploration at the Bakar Property. Pursuant to the Agreement, District Metals will charge Sherpa II an exploration management fee of 10%, calculated from exploration expenditures incurred at the Bakar Property.

Effective January 1, 2023, the Company amended the joint venture agreement whereby District Metals will fund 100% of the next phase of exploration expenditures to a maximum of $330,000 and contribute its related 10% exploration management fee of $33,000 to earn back pro-rata ownership in the property up to 54% (the “Amended Agreement”). From the date of the Amended Agreement, District Metals has funded exploration expenditures of $27,226 and earned management fee income of $2,723. During the three and nine months ended March 31, 2025, the Company earned management fee income of $150 (2024 - $200 and $1,786, respectively).

e) Svärdsjö Property

During the year ended June 30, 2024, the Company determined that it would not continue to conduct any exploration activities on the Svärdsjö Property and would return the property to EMX Royalty Corp. Accordingly, the Company recorded an impairment expense of $461,778 related to the property.

During the three and nine months ended March 31, 2025 further costs were incurred in relation to the property and accordingly the company recorded an additional impairment expense of $Nil and $1,357, respectively.

f) Other Properties

During the year ended June 30, 2023, Bergslagen Metals AB received approval on certain mineral licenses from the Bergsstaten (Mining Inspectorate), including:

- Ardnasvarre nr 1 located in Norrbotten County, northern Sweden;
- Sågtjärn nr 101 and 102, in Jämtland and Västernorrland Counties in central Sweden; and
- Alum Shale Properties, including Tåsjö nr 101 to 105, located in the Jämtland and Västerbottens Counties, north-central Sweden.

(Expressed in Canadian Dollars - Unaudited)

During the year ended June 30, 2024, Bergslagen Metals AB received approval on certain mineral licenses from the Bergsstaten (Mining Inspectorate), including:

- Nianfors nr 1 and 2 mineral licences located in the Gävleborg County in central Sweden; and
- Alum Shale Properties, including Tåsjö nr 106 to 108, Malgomaj 1001 to 1003 and Österkälen nr 101, located in the Jämtland and Västerbotten Counties, north-central Sweden.

As at March 31, 2025, the Company held $22,006 (June 30, 2024 - $23,403) on deposit for reclamation deposits in Sweden for the Tomtebo and Gruvberget properties. As at March 31, 2025, the Company had paid deposits of $434,722 (June 30, 2024 - $Nil) for work to be performed on the Tomtebo, Stollberg and Viken properties in future periods.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

At March 31, 2025 and June 30, 2024, the Company's accounts payable and accrued liabilities are comprised of the following:

		March 31, 2025		**June 30, 2024**
Trade payables	$	340,398	$	199,018
Accrued liabilities		389,758		70,225
	$	**730,156**	**$**	**269,243**

7. ADVANCE FROM BOLIDEN

At March 31, 2025 and June 30, 2024, the Company's Advance from Boliden is comprised of the following:

		March 31, 2025		**June 30, 2024**
Balance, beginning	$	948,214	$	-
Funds received		1,539,294		1,998,726
Invoices issued or to be issued to Boliden		(2,016,689)		(1,091,732)
Impact of change in exchange rates		82,813		41,220
Balance, ending	**$**	**553,632**	**$**	**948,214**

8. SHARE CAPITAL

(a) Authorized share capital

Unlimited number of common shares without par value.

(b) Issued share capital

Nine months ended March 31, 2025

During the nine months ended March 31, 2025, the Company issued 57,500 common shares pursuant to the exercise of share purchase warrants at exercise prices of $0.20 and $0.30 for gross proceeds of $14,750. As at March 31, 2025, $9,750 was due in relation to the warrant exercise, recorded as subscription receivable.

During the nine months ended March 31, 2025, 484,914 compensation options were exercised for aggregate gross proceeds of $80,565.

On January 31, 2025, the Company closed its acquisition of the 2% NSR Royalty over the remaining four mineral covering the Viken deposit licences (Norra Leden, Norr Viken, Lill Viken and Storviken) pursuant to which, the Company issued 500,000 common shares with a fair value of $197,500 of the Company (the "Viken NSR Consideration Shares") to the Vendor. As a result, the Company's 100% Viken deposit is free of any NSR Royalty. The Viken NSR Consideration Shares are subject to a hold period of 4 months and one day, expiring June 1, 2025.

(Expressed in Canadian Dollars - Unaudited)

Nine months ended March 31, 2024

On January 15, 2024, the Company issued 1,000,000 common shares with a fair value of $250,000 pursuant to the acquisition of the Viken Property (Note 5).

On February 1, 2024, the Company issued 20,500,000 common shares for gross proceeds of $4,510,000 pursuant to the closing of a brokered private placement. Each Unit is comprised of one common share ("Common Share") in the capital of the Company and one-half of one Common Share purchase warrant (each whole such warrant, a "Warrant") of the Company. Each Warrant entitles the holder thereof to acquire one Common Share at a price of $0.30 for a period of three (3) years. The fair value of the Warrants was determined to be $Nil using the residual value method. The Company incurred cash share issuance costs of $479,371 and issued 1,230,000 compensation options (the "Compensation Options"). Each Compensation Option entitles the holder thereof to acquire one additional common share at a price of $0.22 for a period of 36 months. The Compensation Options were determined to have a fair value of $247,109 using the Black-Scholes Option Pricing Model with the following assumptions: average risk-free interest rate of 3.95%; expected life of 3 years; expected volatility of 110% and dividend yield of $Nil.

During the nine months ended March 31, 2024, 50,000 stock options were exercised for aggregate gross proceeds of $10,000.

During the nine months ended March 31, 2024, 490,460 compensation options were exercised for aggregate gross proceeds of $73,561.

During the nine months ended March 31, 2024, 407,500 share purchase warrants were exercised for aggregate gross proceeds of $81,500.

9. OPTIONS AND WARRANTS

(a) Options

The Company adopted an Omnibus Incentive Plan on November 4, 2024 (the "Plan"), approved by shareholders at the Company's annual general meeting on December 12, 2024. Under the Plan, the Company may grant its directors, officers, employees and consultants stock options, restricted share units, and deferred share units (together the "Share Based Compensation") of the Company and which reserves up to 10% of its outstanding shares as Share Based Compensation. The exercise price shall not be less than the market value ("Market Value") of the common shares of the Company as of the grant date. Market Value will be the closing trading price of the common shares on the day immediately preceding the grant date, and may be less than this price if it is within the discounts permitted by the applicable regulatory authorities including the TSX Venture Exchange. The expiry date of an option shall be determined by the Board of Directors of the Company and shall be no later than the tenth anniversary of the grant date of such option. The vesting terms and conditions of stock options are determined by the Board of Directors. At March 31, 2025, the Company did not have any restricted share units or deferred share units outstanding.

A continuity schedule of the Company's outstanding stock options is as follows:

	March 31, 2025		**June 30, 2024**	
	Number outstanding	**Weighted average exercise price**	**Number outstanding**	**Weighted average exercise price**
Outstanding, beginning of year	11,975,000	$ 0.27	9,240,000	$ 0.26
Granted	-	-	3,850,000	0.27
Exercised	-	-	(865,000)	0.20
Expired	-	-	(250,000)	0.26
Outstanding and exercisable, end of period	**11,975,000**	**$ 0.27**	**11,975,000**	**$ 0.27**

(Expressed in Canadian Dollars - Unaudited)

At March 31, 2025, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding and exercisable	Exercise price	Weighted average remaining contractual life (in years)
June 2, 2025	1,795,000	$ 0.21	0.17
October 7, 2025	300,000	$ 0.33	0.52
December 30, 2025	1,350,000	$ 0.46	0.75
January 18, 2026	50,000	$ 0.45	0.80
April 13, 2026	200,000	$ 0.40	1.04
October 7, 2026	2,130,000	$ 0.25	1.52
March 6, 2028	2,300,000	$ 0.20	2.93
December 5, 2028	250,000	$ 0.175	3.68
January 5, 2029	150,000	$ 0.21	3.77
February 1, 2029	3,100,000	$ 0.28	3.84
February 13, 2029	300,000	$ 0.30	3.88
May 9, 2029	50,000	$ 0.42	4.11
	11,975,000	**$ 0.27**	**2.21**

(b) Warrants

A continuity schedule of the Company's outstanding common share purchase warrants is as follows:

	March 31, 2025		June 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of year	**19,842,500**	**$ 0.25**	**13,600,000**	**$ 0.24**
Issued	-	-	10,250,000	0.30
Exercised	(57,500)	0.26	(407,500)	0.20
Expired	-	-	(3,600,000)	0.35
Outstanding, end of year	**19,785,000**	**$ 0.25**	**19,842,500**	**$ 0.25**

At March 31, 2025, the Company had outstanding warrants exercisable to acquire common shares of the Company as follows:

Expiry date	Warrants outstanding and exercisable	Exercise price	Weighted average remaining contractual life (in years)
March 2, 2026	9,567,500	$ 0.20	0.92
February 1, 2027	10,217,500	$ 0.30	1.84
	19,785,000	**$ 0.25**	**1.40**

(Expressed in Canadian Dollars - Unaudited)

(c) Compensation options

A continuity schedule of the Company's outstanding compensation options as at March 31, 2025 and June 30, 2024 is as follows:

	March 31, 2025		June 30, 2024	
	Number outstanding	**Weighted average exercise price**	**Number outstanding**	**Weighted average exercise price**
Outstanding, beginning of year	**1,867,582**	**$ 0.20**	**1,558,320**	**$ 0.25[(2)]/0.15[(1)]**
Granted	-	-	1,230,000	0.22[(3)]
Exercised	(484,914)	0.17	(562,418)	0.15
Expired	-	-	(358,320)	0.25
Outstanding, end of year	**1,382,668**	**$ 0.21**	**1,867,582**	**$ 0.20**

(1) The holder of each compensation option is entitled to purchase one Unit (comprising one common share and one-half common share purchase warrant) at an exercise price of $0.15.

(2) The holder of each compensation option is entitled to purchase one Unit (comprising one common share and one-half common share purchase warrant) at an exercise price of $0.25.

(3) The holder of each compensation option is entitled to purchase one Unit (comprising one common share and one-half common share purchase warrant) at an exercise price of $0.22.

At March 31, 2025, the Company had outstanding compensation options exercisable to acquire common shares of the Company as follows:

Expiry date	**Compensation options outstanding and exercisable**	**Exercise price**	**Weighted average remaining contractual life (in years)**
March 2, 2026	276,493	$ 0.15	0.92
February 1, 2027	1,106,175	$ 0.22	1.84
	1,382,668	**$ 0.21**	1.66

10. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to continue its business and maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company's capital includes the components of its shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets, or adjust the amount of cash. In order to preserve cash, the Company does not pay any dividends.

The Company is not subject to any externally imposed capital requirements, apart from those pursuant to the Earn-In Agreement (Note 5). The Company did not change its capital management approach during the nine months ended March 31, 2025.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements.

(Expressed in Canadian Dollars - Unaudited)

11. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

		March 31, 2025		June 30, 2024
Financial assets:				
Amortized cost				
Cash and cash equivalents	$	4,204,071	$	5,861,955
Fair value through profit and loss				
Investment		30,000		145,000
Financial liabilities:				
Other financial liabilities				
Accounts payable and accrued liabilities	$	730,156	$	269,243
Advance from Boliden		553,632		948,214

Accounts payable and accrued liabilities as at March 31, 2025 includes amounts due to related parties (Note 13).

b) Fair value information

The fair values of the Company's cash and cash equivalents, advance from Boliden and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investments in marketable securities are measured at fair value using Level 1 inputs. At March 31, 2025 and June 30, 2024, the Company had no financial assets measured and recognized on the consolidated statements of financial position at fair value belonging in Level 2 or Level 3 of the fair value hierarchy.

c) Management of financial risks

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At March 31, 2025 and June 30, 2024, the Company was exposed to credit risk on its cash and cash equivalents and GST and VAT receivable.

The Company's cash and cash equivalents is held with high credit quality financial institutions in Canada and Sweden, and GST and VAT receivable is recoverable from the governments of Canada and Sweden, respectively. As at March 31, 2025 and June 30, 2024, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and cash equivalents and managing its capital and expenditures.

At March 31, 2025, the Company had cash and cash equivalents of $4,204,071 (June 30, 2024 - $5,861,955), of which $553,632 (June 30, 2024 - $948,214) were advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB (Note 5) and are therefore not available for general use, and accounts payable and accrued liabilities of $730,156 (June 30, 2024 - $269,243) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at March 31, 2025. The Company assessed its liquidity risk as low as at March 31, 2025 and June 30, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at March 31, 2025 and June 30, 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at March 31, 2025 and June 30, 2024, the Company had exposure to foreign currency risk through the following assets and liabilities denominated in Euros and SEK:

March 31, 2025

	Euros	SEK
Cash and cash equivalents	2,215	9,407,193
GST and VAT receivable	-	1,887,258
Prepaid expenses	-	1,197,976
Accounts payable and accrued liabilities	(22,140)	(4,195,196)
Advance payment from Boliden	-	(3,868,850)
Net	(19,925)	4,428,381
Canadian dollar equivalent	$ (30,964)	$ 633,701

June 30, 2024

	Euros	SEK
Cash and cash equivalents	2,119	6,688,329
GST and VAT receivable	-	1,850,640
Prepaid expenses	-	189,276
Accounts payable and accrued liabilities	(10,199)	(177,311)
Advance payment from Boliden	-	(7,440,034)
Net	(8,080)	1,110,900
Canadian dollar equivalent	$ (11,844)	$ 143,417

Based on the above net exposures, a 10% change in the Canadian dollar/Euro and Canadian dollar/SEK exchange rate would impact the Company's net loss by approximately $3,096 and $63,370 (June 30, 2024 - $1,184 and $14,342), respectively. As at March 31, 2025 and June 30, 2024 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at March 31, 2025 and June 30, 2024.

(Expressed in Canadian Dollars - Unaudited)

12. SEGMENTED INFORMATION

The Company is organized into business units based on exploration and evaluation assets and has two reportable operating segments, being that of acquisition and exploration and evaluation activities in Canada and Sweden. The Company is in the exploration stage and has no reportable segment revenues or operating results.

The Company's total assets are segmented geographically as follows:

As at March 31, 2025	Sweden	Canada	Total
Advances and deposits	456,728	1,000	457,728
Exploration and evaluation assets	7,637,719	148,963	7,786,682
	$ 8,094,447	$ 149,963	$ 8,244,410

As at June 30, 2024	Sweden	Canada	Total
Advances and deposits	23,403	-	23,403
Exploration and evaluation assets	7,400,629	147,388	7,548,017
	$ 7,424,032	$ 147,388	$ 7,571,420

13. RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel and close family members of its key management personnel, including its directors and officers.

During the normal course of business, the Company enters into transactions with its related parties that are considered to be arm's length transactions.

(a) Key management compensation for the three and nine months ended March 31, 2025 and 2024 were as follows:

	Three Months Ended		Nine Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Salary	$ 63,750	$ 63,750	$ 318,750	$ 318,750
Consulting fees	60,000	61,960	258,960	221,360
Total	$ 123,750	$ 125,710	$ 577,710	$ 540,110

(b) On June 1, 2020, the Company entered into an employment agreement with the Company's Chief Executive Officer ("CEO") effective June 1, 2020, pursuant to which, if the Company experiences a change of control the CEO is entitled to 24 months of salary. Pursuant to the employment agreement, the Company incurred a total salary of $63,750 and $318,750 to the CEO during the three and nine months ended March 31, 2025 (2024 – $63,750 and $318,750), respectively. The Company had $30,015 due to the CEO in relation to reimbursable expenses at March 31, 2025 (June 30, 2024 - $12,533).

(c) During the three and nine months ended March 31, 2025, the Company paid consulting fees of $22,500 (2024 - $22,500) and $112,500 (2024 - $77,500), respectively, for services provided by the CFO.

(d) During the three and nine months ended March 31, 2025, the Company did not incur stock-based compensation expense related to stock options granted to the officers and directors of the Company (2024 - $505,802 and $508,802, respectively).

(e) During the three and nine months ended March 31, 2025 and 2024, the Company paid director's fees to directors of the Company of $9,000 and $63,000, respectively, recorded in consulting fees.

(f) During the three and nine months ended March 31, 2025 the Company paid consulting fees of $28,500 (2024 - $30,460) and $83,460 (2024 - $80,860), respectively, to a company controlled by a close family member of the CFO for administrative, accounting and corporate services. The Company had $22 due to the company controlled by a close family member of the CFO in relation to reimbursable expenses at March 31, 2025 (June 30, 2024 - $Nil).

14. SUBSEQUENT EVENTS

Subsequent to March 31, 2025, the following options and compensation options were exercised:

- 400,000 options were exercised for gross proceeds of $84,000; and
- 900,500 compensation options were exercised for gross proceeds of $189,444.

On May 21, 2025 the Company closed a non-brokered private placement financing under the Listed Issuer Financing Exemption, whereby the Company raised $6,000,000 through an offering of 22,222,221 common shares at $0.27 per share. In connection with the financing, the Company paid a finder's fee of $299,999.

Management Discussion and Analysis
For the Three and Nine Months Ended March 31, 2025

This management's discussion and analysis ("MD&A") is provided to enable the reader to assess financial condition and results of operations of District Metals Corp. (the "Company" or "District Metals") for the three and nine months ended March 31, 2025. This MD&A should be read in conjunction with the condensed consolidated interim financial statements for the three and nine months ended March 31, 2025 and 2024, prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"), and the audited annual consolidated financial statements of the Company for the financial year ended June 30, 2024 and 2023. This MD&A complements and supplements but does not form part of the Company's condensed consolidated interim financial statements.

This MD&A contains forward-looking information. In particular, statements regarding the adequacy of cash resources to carry out the Company's exploration programs, plans for additional exploration and the possibility that the moratorium on uranium mining in Sweden may be rescinded are forward-looking information. All forward-looking information, including those not specifically identified herein, are made subject to cautionary language on page 11. Readers are advised to refer to the cautionary language when reading any forward-looking information.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of May 28, 2025.

BUSINESS OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Alberta) on July 24, 1989, and continued into the Province of British Columbia on March 31, 2006. On July 17, 2019, the Company changed its name to District Metals Corp. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "DMX", on the Frankfurt Stock Exchange under the symbol "DFPP" and on the United States OTCQB under the symbol "DMXCF". On January 23, 2025, the Company's depository receipts began trading on Nasdaq First North Growth Market under the symbol "DMXSE SDB".

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company's primary properties are the Tomtebo and Viken properties, located in Sweden.

The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. The Company's ability to raise additional funds is affected by numerous factors outside the Company's control, including in particular, the global economy and the status of the moratorium on uranium mining in Sweden. The global economy is currently characterized by increased volatility arising in part from inflationary pressure and geo-political risk in Europe and the Middle East.

Conversely, the Company's funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects and increased costs. There is no guarantee that the Company will be able to secure additional sources of financing in the future at terms that are favourable, or at all.

A summary of the expenditures incurred on the Company's properties during the nine months ended March 31, 2025 and the year ended June 30, 2024 are as follows:

	Tomtebo Property	Viken Property	Gruvberget Property	Bakar Property	Svärdsjö Property	Other Properties	Total
Acquisition Costs							
Balance, June 30, 2023	$ 1,715,857	$ -	$ 260,000	$ 32,051	$ 402,500	$ -	$ 2,410,408
Additions	100,499	412,375	42,450	-	8,334	138,374	702,032
Cost re-allocation	(95,151)	-	-	-	-	95,151	-
Impairment	-	-	-	-	(410,834)	-	(410,834)
Balance, June 30, 2024	$ 1,721,205	$ 412,375	$ 302,450	$ 32,051	$ -	$ 233,525	$ 2,701,606
Additions	-	197,500	-	-	-	-	197,500
Impairment	-	-	-	-	-	-	-
Balance, March 31, 2025	**$ 1,721,205**	**$ 609,875**	**$ 302,450**	**$ 32,051**	**$ -**	**$ 233,525**	**$ 2,899,106**
Deferred Exploration Costs							
Balance, June 30, 2023	$ 4,200,888	$ 2,089	$ 597,537	$ 95,147	$ 50,844	$ 3,504	$ 4,950,009
Consulting	230,345	22,592	5,131	17,854	2,189	65,371	343,482
Geochemistry	5,577	1,019	-	-	-	5,344	11,940
Drilling	477,173	-	-	-	-	-	477,173
Other costs (recovery)	(50,265)	5,392	980	2,336	3,664	8,521	(29,372)
Cost recovery	(850,124)	-	-	-	(5,753)	-	(855,877)
Impairment	-	-	-	-	(50,944)	-	(50,944)
Balance, June 30, 2024	$ 4,013,594	$ 31,092	$ 603,648	$ 115,337	$ -	$ 82,740	$ 4,846,411
Consulting	254,880	14,815	3,085	1,425	1,292	19,332	294,829
Geochemistry	22,561	394	-	-	-	-	22,955
Drilling	577,894	-	-	-	-	-	577,894
Other costs	57,666	1,755	-	150	65	209	59,845
Cost recovery	(913,001)	-	-	-	-	-	(913,001)
Impairment	-	-	-	-	(1,357)	-	(1,357)
Balance, March 31, 2025	**$ 4,013,594**	**$ 48,056**	**$ 606,733**	**$ 116,912**	**$ -**	**$ 102,281**	**$ 4,887,576**
Balance, June 30, 2024	$ 5,734,799	$ 443,467	$ 906,098	$ 147,388	$ -	$ 316,265	$ 7,548,017
Balance, March 31, 2025	**$ 5,734,799**	**$ 657,931**	**$ 909,183**	**$ 148,963**	**$ -**	**$ 335,806**	**$ 7,786,682**

Tomtebo Property, Sweden

The Tomtebo property is located in the Bergslagen Mining District of South Central Sweden. It comprises 5,144 ha.

On October 27, 2023, the Company entered into a mineral property earn-in and option agreement (the "Earn-In Agreement") with Boliden Mineral AB ("Boliden") pursuant to which the Company, through its wholly-owned subsidiary District Metals AB, granted Boliden a right and option to acquire an 85% interest in the mineral claims comprising the Company's Tomtebo Property (the "Option").

Pursuant to the Earn-In Agreement the Company was appointed as operator during the Option stage and as consideration is entitled to a 7.5% fee on qualifying expenditures (as defined in the Earn-In Agreement). During the three and nine months ended March 31, 2025, the Company earned an operator fee of $60,521 (2024 - $36,886) and $135,403 (2024 - $46,847).

In mid-February 2024, a drilling program commenced at the Tomtebo property pursuant to which a total of 2,196 m of drilling was completed in six holes. Assay results from this drill program were announced in July 2024.

Viken Property, Sweden

From April 2023 to January 2024, Bergslagen Metals AB, a wholly-owned subsidiary of District Metals, incorporated under the laws of Sweden, consolidated 100% of the Viken energy metals deposit located in Jämtland County, central Sweden through mineral license application and acquisition (the "Viken Property"). The Viken Property totals 37,211 hectares (ha), where the Viken nr 1 mineral license covers the majority of the Viken deposit.

The Company received approval on the Viken nr 101, 2 and 3 mineral licenses, located in Jämtland County, central Sweden from the Bergsstaten (Mining Inspectorate).

On January 15, 2024, the Company acquired the four mineral licenses covering the Viken deposit (Norra Leden, Norr Viken, Lill Viken and Storviken) pursuant to the Viken Extension Agreement. A summary of the principal terms of the acquisition are as follows:

- $50,000 cash paid to the vendor on closing (paid).
- $50,000 cash payable to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted.
- 1,000,000 District Metals shares issued to the vendor on closing (issued January 15, 2024 with a fair value of $250,000).
- 3,500,000 District Metals shares to be issued to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted. These District Metals shares will be subject to a voluntary lock-up pursuant to which 500,000 shares will be released four months after issuance, 500,000 shares will be released six months after issuance, 1,000,000 shares will be released twelve months after issuance, 1,000,000 shares will be released 18 months after issuance and 500,000 shares will be released twenty-four months after issuance.
- A 2% NSR royalty granted to the vendor on closing that can be repurchased (i) in its entirety at any time for a value of $8,000,000 or (ii) in respect of the first 1% for $2,000,000.

On January 31, 2025, the Company closed its acquisition of the 2% NSR Royalty over four of the mineral licenses covering the Viken deposit (Norra Leden, Norr Viken, Lill Viken and Storviken) for a purchase price consisting of 500,000 common shares of the Company (the "Viken NSR Consideration Shares") to the Vendor. As a result, the Viken Property is free of any NSR Royalty. The Viken NSR Consideration Shares are subject to a hold period of 4 months and one day, expiring June 1, 2025.

On April 29, 2025, District Metals announced a mineral resource estimate pursuant to National Instrument 43-101 ("NI 43-101") (the "Viken MRE"), including an inferred mineral resource estimate of 4.3 billion tonnes at a grade of 161 ppm of uranium containing 1.5 billion pounds uranium. The Company included additional important and critical raw materials in the current Viken MRE; however, the historical drill hole geochemical results did not include analysis on the full suite of Rare Earth Elements, which have potential to create additional value for future economic studies.

There is currently a moratorium on uranium mining and exploration in Sweden that was imposed in 2018, which is being revisited by the Swedish authorities. The Company is planning limited activity on the Viken Property pending developments with respect to the moratorium and expects to make a decision on moving forward with a Preliminary Economic Assessment for the Viken Property in Q4 2025, which will be influenced by the outcome of the Swedish Government's proposal to lift the current ban on uranium mining.

Gruvberget Property, Sweden

The Gruvberget property is located approximately 230km northwest of Stockholm in Sweden and 35km northwest of the Tomtebo property. It comprises 5,286 ha.

The Company has completed all requirements to retain the Gruvberget Property. Explora Mineral AB ("Explora") retains a 2.5% NSR royalty on the Gruvberget Property. That NSR royalty is subject to the Company's option to repurchase the entire 2.5% NSR royalty for $8,000,000, at any time.

Bakar Property, British Columbia

The Bakar property is located on the northwest of Vancouver Island, British Columbia approximately 40km west of Port Hardy. It comprises 15,687 ha.

During the three and nine months ended March 31, 2025, the Company earned management fee income of $150 (2024 - $200 and $1,786, respectively).

Svärdsjö Property, Sweden

The Svärdsjö property is located approximately 200km northwest of Stockholm in Sweden and 25km north of the Tomtebo property. It comprises 1,037 ha.

During the year ended June 30, 2024, the Company determined that it would not continue any exploration activities on the Svärdsjö Property and would return the property to EMX Royalty Corp. Accordingly, the Company recorded an impairment expense of $461,778 related to the property. During the three and nine months ended March 31, 2025 further costs were incurred in relation to the property and accordingly the company recorded an additional impairment expense of $Nil and $1,357, respectively.

Additional Properties

Bergslagen Metals AB received approval on certain mineral licenses from the Bergsstaten (Mining Inspectorate) (collectively, the "Additional Properties"), including:

- Ardnasvarre nr 1 over a 9,708 ha area located in Norrbotten County, northern Sweden;
- Sågtjärn nr 101 and 102, covering 4,068 ha in Jämtland and Västernorrland Counties in central Sweden;
- Nianfors nr 1 and 2 mineral licenses, covering 2,603 ha located in the Gävleborg County in central Sweden; and
- Alum Shale Properties, including Tåsjö nr 101 to 108, Malgomaj 1001 to 1003 and Österkälen nr 101, located in the Jämtland and Västerbotten Counties, north-central Sweden, covering an area of 79,251 ha.

The Company believes that all of the Additional Properties are prospective for uranium. There is, however, currently a moratorium on uranium mining and exploration in Sweden that was imposed in 2018, which is being revisited by the Swedish authorities. Accordingly, the Company has largely deferred activities on the Additional Properties pending developments in Sweden with respect to the moratorium.

FINANCIAL REVIEW

For a discussion of the factors affecting the Company's losses see "Summary of quarterly results" and "Results of operations" below.

Results of operations for the three months ended March 31, 2025

The Company incurred a net loss and comprehensive loss of $322,673 during the three months ended March 31, 2025, a decrease in loss of $836,688, as compared to the net loss and comprehensive loss of $1,159,361 for the three months ended March 31, 2024. The decrease in net loss and total comprehensive loss was primarily driven by:

- A stock-based compensation expense of $Nil in the current quarter compared to $807,028 in the comparative quarter, as there were no options granted during the current quarter.

The decreases in loss and comprehensive loss were partially offset by a decrease in interest income of $14,326, which is consistent with the amount of cash held in investments in the quarter.

Results of operations for the nine months ended March 31, 2025

The Company incurred a net loss and comprehensive loss of $1,477,893 during the nine months ended March 31, 2025, a decrease in loss of $155,650, as compared to the net loss and comprehensive loss of $1,633,543 for the nine months ended March 31, 2024. The decrease in net loss and total comprehensive loss was primarily driven by:

- A stock-based compensation expense of $Nil in the current period compared to $841,609 in the comparative period, as there were no options granted in the current period.

- Higher interest income and management fee income of $144,880 and $154,263, respectively, for the current period, compared to $100,624 and $48,633 for the comparative period, relating to cash held in investments in the period, as well as costs associated with the Earn-In Agreement being incurred over the current and comparative quarter.

The decreases in loss and comprehensive loss were partially offset by:

- An increase in marketing and investor-related expenditures of $203,138 when compared to the comparative period. This is a result of increased advertising in the current period consistent with an increase in corporate activity.
- Increases in transfer agent, regulatory and filing fees of $121,567, and professional fees of $148,833 as a result of costs incurred in relation to the Company's listing on the Nasdaq First North Growth Market stock exchange in Sweden in January 2025;
- An increase in general and administrative costs of $132,511 in the current period compared to the comparative period, as a result of increased travel activity and related expenses including a tour of the Company's Viken Property.
- An increase in unrealized loss on investments of $170,000 relative to the prior year period.

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed interim financial statements:

	Quarter ended		Revenue		Loss before other income and expenses		Loss and comprehensive loss		Basic and diluted income (loss) per common share
Q3/25	March 31, 2025	$	-	$	(447,705)	$	(322,673)	$	(0.00)
Q2/25	December 31, 2024	$	-	$	(808,951)	$	(707,052)	$	(0.01)
Q1/25	September 30, 2024	$	-	$	(522,981)	$	(448,168)	$	(0.00)
Q4/24	June 30, 2024	$	-	$	(464,051)	$	(1,056,211)	$	(0.01)
Q3/24	March 31, 2024	$	-	$	(1,195,995)	$	(1,159,361)	$	(0.01)
Q2/24	December 31, 2023	$	-	$	(530,075)	$	(312,784)	$	(0.00)
Q1/24	September 30, 2023	$	-	$	(191,456)	$	(161,398)	$	(0.00)
Q4/23	June 30, 2023	$	-	$	(250,502)	$	(199,836)	$	(0.00)

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- The Company's Q3 2025 loss was influenced by increased transfer agent, regulatory, and listing fees as well as professional fees in relation to the Company's listing on the Nasdaq First North Growth Market stock exchange in Sweden during the quarter.
- The Company's Q2 2025 loss was influenced by annual incentive payments of $208,500 recognized during the quarter. When normalized for this amount, the loss was $498,552.
- An unrealized loss on investment in marketable securities of $95,000 contributed to the loss in Q1 2025.
- The Company's Q4 2024 loss was influenced by a write-down of exploration and evaluation assets related to the Company's Svärdsjö property. After normalizing for the write-down, loss was $594,433.
- The Company's Q3 2024 loss was influenced by stock-based compensation expense of $807,028. When normalized for this amount, loss was $352,333.
- The Company's Q2 2024 loss was influenced by consulting expense of $334,136, and professional fees of $81,106, offset by unrealized gain on investments of $60,000 and interest and dividend income of $25,183.

LIQUIDITY AND CAPITAL RESOURCES

The Company's condensed consolidated interim financial statements for the nine months ended March 31, 2025 have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business.

At March 31, 2025, the Company had cash and cash equivalents of $4,204,071 (June 30, 2024 - $5,861,955) and its current assets exceeded its current liabilities by $3,345,014 (June 30, 2024 - $5,216,155). The Company currently does not generate revenue from operations. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of $65,124,752 as at March 31, 2025 (June 30, 2024 - $63,646,859). Pursuant to the Earn-In Agreement, the Company earns a 7.5% operator fee on qualifying expenditures.

On February 1, 2024, the Company issued 20,500,000 common shares for gross proceeds of $4,510,000 pursuant to a private placement of units at a price of $0.22 per unit (the "February 2024 Financing"). Each unit is comprised of one common share in the capital of the Company and one half of one transferable common share purchase warrant (each whole such common share purchase warrant, a "2024 Warrant"). Each whole 2024 Warrant entitles the holder thereof to acquire one additional common share at a price of $0.30 for a period of 36 months. In connection with this financing, the Company incurred cash share issuance costs of $479,371 and issued an aggregate of 1,230,000 non-transferable compensation options (the "2024 Compensation Options"). Each 2024 Compensation Option shall entitle the holder thereof to acquire one additional common share at a price of $0.22 for a period of 36 months.

During the nine months ended March 31, 2025, 57,500 share purchase warrants were exercised at exercise prices of $0.20 and $0.30 for gross proceeds of $14,750. As at March 31, 2025, subscriptions receivable of $9,750 were due in relation to the warrant exercise.

During the nine months ended March 31, 2025, 484,914 compensation options were exercised for aggregate gross proceeds of $80,565.

Subsequent to March 31, 2025, the following options and compensation options were exercised:

- 400,000 options were exercised for gross proceeds of $84,000; and
- 900,500 compensation options were exercised for gross proceeds of $189,444.

On May 21, 2025, the Company closed a non-brokered private placement financing under the Listed Issuer Financing Exemption, whereby the Company raised $6,000,000 through an offering of 22,222,221 common shares at $0.27 per share (the "March 2025 Financing"). In connection with the financing, the Company paid a finder's fee of $299,999.

Management believes that the Company's cash balances, including the net proceeds from the February 2024 Financing and March 2025 Financing, its earnings under the Earn-In Agreement, and proceeds from the exercise of stock options, share purchase warrants and compensation options are sufficient to complete its planned exploration activities and fund its administrative expenses for the ensuing 12-month period.

Cash flows

Cash used in operating activities for the nine months ended March 31, 2025, was $1,690,963 compared to $496,333 cash provided by operating activities for the nine months ended March 31, 2024. The increase in cash provided was primarily the result of the funds received from Boliden in the prior period.

During the nine months ended March 31, 2025, the Company's invested $49,163 in exploration and evaluation assets compared with $528,307 during the nine months ended March 31, 2024.

During the nine months ended March 31, 2025 and 2024, the Company raised $82,242 and $4,195,690, respectively, from the issuance of shares, including the exercise of warrants and compensation options, net of share issuance costs.

TRANSACTIONS WITH RELATED PARTIES

Related parties include the Board of Directors, Officers, and any companies owned or controlled by them. Key management personnel consist of directors and senior management including the Chief Executive Officer and Chief Financial Officer. Key management personnel compensation includes:

	Three Months Ended		Nine Months Ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Salary	$ 63,750	$ 63,750	$ 318,750	$ 318,750
Consulting fees	60,000	61,960	258,960	221,360
Total	$ 123,750	$ 125,710	$ 577,710	$ 540,110

On June 1, 2020, the Company entered into an employment agreement with the Company's Chief Executive Officer ("CEO") effective June 1, 2020, pursuant to which, if the Company experiences a change of control the CEO is entitled to 24 months of salary. Pursuant to the employment agreement, the Company incurred a total salary of $63,750 and $318,750 to the CEO during the three and nine months ended March 31, 2025 (2024 – $63,750 and $318,750), respectively. The Company had $30,015 due to the CEO in relation to reimbursable expenses at March 31, 2025 (June 30, 2024 - $12,533).

During the three and nine months ended March 31, 2025, the Company paid consulting fees of $22,500 (2024 - $22,500) and $112,500 (2024 - $77,500), respectively, for services provided by the CFO.

During the three and nine months ended March 31, 2025, the Company did not incur stock-based compensation expense related to stock options granted to the officers and directors of the company, (2024 -$505,802 and $508,802 respectively).

During the three and nine months ended March 31, 2025 and 2024, the Company paid director's fees of $9,000 and $63,000 to directors of the Company, recorded in consulting fees.

During the three and nine months ended March 31, 2025 the Company paid consulting fees of $28,500 (2024 - $30,460) and $83,460 (2024 - $80,860), respectively, to a company controlled by a close family member of the CFO for administrative, accounting and corporate services. The Company had $22 due to the company controlled by a close family member of the CFO in relation to reimbursable expenses at March 31, 2025 (June 30, 2024 - $Nil).

PROPOSED TRANSACTIONS

None.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgements and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the nine months ended March 31, 2025 as follows:

Material accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the respective entity operates; the functional currency of District Metals Corp., District Metals AB and Bergslagen Metals AB is determined to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Impairment of long-lived assets

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU"), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Valuation of stock-based compensation and compensation options

The Company uses the Black-Scholes option pricing model for the valuation of stock-based compensation and the Geske compound option pricing model for the valuation of compensation options. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, forfeiture rate, risk-free market interest rate, expected volatility in the price of the underlying stock and expected life of the instruments. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments – Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information". Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 have also been amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments were applied effective July 1, 2023, and did not have a material impact on the Company's consolidated financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the nine months ended March 31, 2025.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

The Company's financial assets and liabilities are classified as follows:

		March 31, 2025		June 30, 2024
Financial assets:				
Amortized cost				
Cash and cash equivalents	$	4,204,071	$	5,861,955
Fair value through profit and loss				
Investment		30,000		145,000
Financial liabilities:				
Other financial liabilities				
Accounts payable and accrued liabilities	$	730,156	$	269,243
Advance from Boliden		553,632		948,214

Accounts payable and accrued liabilities includes amounts due to related parties. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

Fair value information

The fair values of the Company's cash and cash equivalents, due from related parties and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investments are measured at fair value using level 1 inputs. At March 31, 2025 and June 30, 2024, the Company had no financial assets measured and recognized on the statement of financial position at fair value belonging in Level 2 or Level 3 of the fair value hierarchy.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At March 31, 2025 and June 30, 2024, the Company was exposed to credit risk on its cash and cash equivalents, and GST and VAT receivable.

The Company's cash and cash equivalents is held with high credit quality financial institutions in Canada and Sweden, and GST and VAT receivable is recoverable from the government of Canada and Sweden, respectively. As at March 31, 2025 and June 30, 2024, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At March 31, 2025, the Company had cash and cash equivalents of $4,204,071 (June 30, 2024 - $5,861,955), of which $553,632 (June 30, 2024 - $948,214) were advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB and are therefore not available for general use, and accounts payable and accrued liabilities of $730,156 (June 30, 2024 - $269,243) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at March 31, 2025. The Company assessed its liquidity risk as low as at March 31, 2025 and June 30, 2024.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at March 31, 2025 and June 30, 2024.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at March 31, 2025 and June 30, 2024, the Company had exposure to foreign currency risk through the following assets and liabilities denominated in Euros and Swedish Krona ("SEK").

March 31, 2025

	Euros	SEK
Cash and cash equivalents	2,215	9,407,193
GST and VAT receivable	-	1,887,258
Prepaid expenses	-	1,197,976
Accounts payable and accrued liabilities	(22,140)	(4,195,196)
Advance payment from Boliden	-	(3,868,850)
Net	(19,925)	4,428,381
Canadian dollar equivalent	$ (30,964)	$ 633,701

June 30, 2024

	Euros	SEK
Cash and cash equivalents	2,119	6,688,329
GST and VAT receivable	-	1,850,640
Prepaid expenses	-	189,276
Accounts payable and accrued liabilities	(10,119)	(177,311)
Advance payment from Boliden	-	(7,440,034)
Net	(8,080)	1,110,900
Canadian dollar equivalent	$ (11,844)	$ 143,417

Based on the above net exposures, a 10% change in the Canadian dollar/Euro and Canadian dollar/SEK exchange rate would impact the Company's net loss by approximately $3,096 and $63,370 (June 30, 2024 - $1,184 and $14,342), respectively. As at March 31, 2025 and June 30, 2024 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at March 31, 2025 and June 30, 2024.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company had 154,880,760 common shares issued and outstanding (June 30, 2024 – 130,315,625), 11,575,000 stock options outstanding, 482,168 compensation options outstanding, and 19,785,000 warrants outstanding.

The Company has authorized an unlimited number of common shares without par value.

RISKS AND UNCERTAINTIES

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of the Company and uncertainties not discussed to date or not known to management could have material and adverse effects on the valuation of our securities, existing business activities, financial condition, results of operations, plans and prospects could cause the Company's operating and financial performance to differ materially from the estimates described in forward-looking statements relating to the Company. These include widespread risks associated with any form of business and specific risks associated with the Company's business and its involvement in the mineral exploration and development industry, including the future of the uranium moratorium in Sweden.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

Statements contained in this MD&A that are not historical facts are forward-looking statements (within the meaning of the Canadian securities legislation and the U.S. Private Securities Litigation Reform Act of 1995) that involve risks and uncertainties. Forward-looking statements are frequently, but not always, identified by words such as “expects”, “anticipates”, “believes”, “intends”, “estimates”, “potential”, “possible” or variations of such words and phrases or the negative connotation thereof, or statements that events, conditions or results “will”, “may”, “could” or “should” occur or be achieved. The forward-looking statements may include statements regarding exploration results and budgets, work programs, capital expenditures, timelines, strategic plans, market price of commodities or other statements that are not statements of fact. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Company may differ materially from those reflected in forward-looking statements due to a variety of risks, uncertainties and other factors. Although management believes that the expectations represented by such forward-looking information or statements are reasonable, there is significant risk that the forward-looking information or statements may not be achieved, and the underlying assumptions thereto will not prove to be accurate. Important factors that could cause actual results to differ materially from the Company’s expectations include uncertainties relating to disputes; the revocation of the moratorium on uranium mining in Sweden, the Company’s relationship with Boliden; fluctuations in commodity prices and foreign currency exchange rates; uncertainties relating to interpretation of drill results and the geology; the need to obtain additional financing to develop properties and uncertainties as to the availability and terms of future financing; uncertainties disclosed in other information released by the Company from time to time and filed with the appropriate regulatory agencies and other factors such as those described above and discussed under “Risks and Uncertainties”.

For the reasons set forth above, investors should not place undue reliance on forward-looking statements. It is the Company’s policy that all forward-looking statements are based on the Company’s beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are based on information available as at May 28, 2025 and are subject to change after this date. The Company assumes no obligation and has no policy for updating or revising forward-looking information or statements to reflect new events or circumstances, except as may be required under applicable securities laws.