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No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this Offering Document. Any representation to the contrary is an offence. This Offering (as defined below) may not be suitable for you, and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

New Issue

April 28, 2026

**DISTRICT METALS CORP.
(the “Company” or “District”)**



PART 1: SUMMARY OF OFFERING

What are we offering?

Offering:	A non-brokered private placement of up to 14,705,882 common shares of the Company (the “ Common Shares ”) at a price of \$0.68 per Common Share, for gross proceeds of up to \$10,000,000 (the “ Offering ”). Each Common Share carries one vote at all meetings of shareholders, is entitled to receive dividends as and when declared by the board of directors of the Company and is entitled to participate in the remaining property and assets of the Company upon dissolution or winding-up. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights.
Offering Price:	\$0.68 per Common Share (the “ Offering Price ”).
Offering Amount:	Up to 14,705,882 Common Shares, for gross proceeds of up to \$10,000,000.
Closing Date:	The Offering is expected to close by May 12, 2026 (the “ Closing Date ”), or such other date as the Company may determine.
Exchange:	The outstanding Common Shares are listed and posted for trading on the TSX Venture Exchange (the “ TSXV ”) under the symbol “DMX”, the Open Market of the Frankfurt Stock Exchange under the symbol “DFPP” and quoted on the OTCQB Venture Market under the symbol “DMXCF”. The Company’s Swedish deposit receipts are listed on the Nasdaq First North Growth Market (“ Nasdaq First North ”) under the symbol “DMXSE SDB”.
Last Closing Price:	On April 28, 2026, the last trading day prior to the date of this Offering Document, the closing price of the Common Shares on the TSXV was \$0.85. All references in this Offering Document to “dollars”, “C\$” or “\$” are to Canadian dollars, unless otherwise stated.

District is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions* (“NI 45-106”), as amended and supplemented by Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption*. In connection with this Offering, the issuer represents the following is true:

- The issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- District is relying on the exemptions in Coordinated Blanket Order 45-935 *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “Order”) and is qualified to distribute securities in reliance on the exemptions included in the Order.
- The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption and under the Order in the 12 months immediately preceding the date of the news release announcing this Offering, will not exceed \$25,000,000.
- The issuer will not close this Offering unless the issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the issuer seeks security holder approval.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Offering Document contains “forward-looking information” within the meaning of applicable securities laws. Forward-looking information is generally identifiable by use of the words “believes”, “may”, “plans”, “will”, “anticipates”, “intends”, “could”, “estimates”, “expects”, “forecasts”, “projects” and similar expressions, and the negative of such expressions.

Forward-looking information in this Offering Document includes, but is not limited to, statements regarding: the Offering generally; the terms thereof; the use of the available funds; the intended use of the net proceeds from the Offering; the jurisdictions in which the Offering will be conducted; the filing of the offering materials and the satisfaction of the conditions of closing of the Offering, including the receipt, in a timely manner, of required approvals, including the approval of the TSXV; the date of completion of the Offering; the Company’s future plans, objectives, strategies and goals relating to its business; the Company’s Swedish polymetallic properties; the Company’s planned exploration activities, including its drill target strategy and next steps for the Swedish properties; the Company’s interpretations and expectations about the results on the Swedish properties; financial estimates including the expected costs of the Offering; and the Company’s belief that its current available funds and proceeds from the Offering will be sufficient to meet its general corporate and working capital requirements for the foreseeable future.

In connection with the forward-looking information contained in this Offering Document, we have made numerous assumptions, regarding, among other things: the TSXV will approve the Offering; the amount to be raised; the use of the net proceeds of the Offering as announced or at all; the satisfaction or waiver of the conditions of closing of the Offering; the completion of the Offering on the expected terms; the Company’s ability to capitalize on growth opportunities and implement its growth strategy; the Company’s ability to retain key personnel; the reliability of historical data and the accuracy of publicly reported information regarding past and historic mines in the Bergslagen district and in respect of the Swedish properties; the absence of further restrictions imposed by the Swedish government on uranium and alum shale exploration and mining in Sweden; the results of the inquiry into the mining of alum shale in Sweden and the possibility that it will be the subject of a municipal veto; the Company’s ability to raise sufficient capital to fund planned exploration activities, maintain corporate capacity; stability in financial and capital markets; the absence of material adverse changes in its business, the Company’s industry or the global economy; and that the risks and uncertainties enumerated below will not materialize. While we consider these assumptions to be reasonable, these assumptions are inherently subject to significant uncertainties and contingencies.

There are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained in this Offering Document. Known risk factors include, among others: the completion of the Offering within the time contemplated; the reliability of historic data on District's properties; the Company's ability to raise sufficient capital to finance planned exploration; changes to the Swedish government's policies regarding uranium and alum shale exploration and mining in Sweden; the Company's limited operating history; the Company's negative operating cash flow and dependence on third-party financing; the uncertainty of additional funding; the uncertainties associated with early stage exploration activities including general economic, market and business conditions, the regulatory process, failure to obtain necessary permits and approvals, technical issues, potential delays, unexpected events and management's capacity to execute and implement its future plans; the Company's ability to identify any further mineral resources and mineral reserves; the substantial expenditures required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources; the uncertainty of estimates used to calculate mineralization figures; changes in governmental regulations; compliance with applicable laws and regulations; competition for future resource acquisitions and skilled industry personnel; reliance on key personnel; title matters; conflicts of interest; environmental laws and regulations and associated risks, including climate change legislation; land reclamation requirements; changes in government policies; volatility of the Company's share price; the unlikelihood that shareholders will receive dividends from the Company; potential future acquisitions and joint ventures; infrastructure risks; fluctuations in demand for and prices of metals; fluctuations in foreign currency exchange rates; legal proceedings and the enforceability of judgments; going concern risk; risks related to the Company's information technology systems and cyber-security risks; and risk related to the outbreak of epidemics or pandemics or other health crises.

All forward-looking information in this Offering Document is qualified in its entirety by this cautionary statement and we disclaim any obligation to revise or update such forward-looking information to reflect future results, events or developments, except as required by law.

PART 2: SUMMARY DESCRIPTION OF BUSINESS

What is our business?

District is a uranium and polymetallic exploration and development company focused on its flagship Viken property located in Jämtland County, central Sweden (the "**Viken Property**"). The Viken Property is subject to an inferred and indicated mineral resource detailed in the National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") technical report titled "Updated Mineral Resource Estimate and Technical Report on the Viken Energy Metals Project, Jämtland County, Sweden", dated June 13, 2025 with an effective date of April 25, 2025 (the "**Viken Report**") and available under the Company's SEDAR+ profile at www.sedarplus.ca.

The Company 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. District is a 2025 TSX Venture 50 Company, ranking among the top-performing issuers on the TSX Venture Exchange in the past year.

The Company's head office is located at 1030 West Georgia Street, Suite 907, Vancouver, British Columbia, V6E 2Y3 Canada and the Company's registered office is located at 885 West Georgia Street, Suite 2200, Vancouver, British Columbia, V6C 3E8 Canada.

Recent developments

The key recent developments in the Company's business are as follows:

On February 5, 2026, District announced that on February 4 and 5, 2026 there were several Swedish media reports that outlined a revised approach to municipal veto rights in the context of uranium and alum shale mining in Sweden. The proposed approach includes lifting the municipal veto for uranium mining and processing and commencing an inquiry into mining of alum shale deposits. The introduction of a potential new municipal veto for alum shale extraction was announced to be part of the scope of such an inquiry. Under the plan, an investigation will be initiated to focus on aspects of mining alum shale – a host rock that contains uranium and other important and critical raw materials such as vanadium, potash, molybdenum, nickel, copper, zinc and rare earth elements. The Company is advancing its flagship Viken Property and extensive sedimentary alum shale and basement rock hosted uranium

properties. The Company actively monitors government announcements, policy and legislative developments with respect to uranium exploration and mining in Sweden. The impact of these developments on the Company's mineral properties remains uncertain. As of the date of this Offering Document there has been no further updates with respect to the inquiry into mining of alum shale deposits.

On January 22, 2026, District paid \$50,000 and issued the final 3,500,000 Common Shares owing to the arm's length vendor to acquire the remaining four mineral licences covering the Viken Property.

On November 5, 2025, District announced that the Swedish Parliament voted to repeal the moratorium on uranium mining and exploration in Sweden imposed in 2018 and approved new legislation permitting uranium exploration and mining to come into effect on January 1, 2026.

On August 25, 2025, District announced that the Company received notice from Boliden Mineral AB ("**Boliden**") of its decision to terminate the earn-in and option agreement dated October 27, 2023 (the "**Option Agreement**") on the Tomtebo and Stollberg properties. As a result of Boliden's termination of the Option Agreement, the Company retained a 100% interest in the Tomtebo property, and Boliden will retain a 100% interest in the Stollberg property.

On June 13, 2025, District announced that it had filed the Viken Report.

On June 3, 2025, the Company entered into a definitive agreement to sell its remaining 24.48% interest in the Bakar property to Sherpa II Holdings Corp. ("**Sherpa II**"). On November 6, 2025 the Company completed the sale of its remaining interest in the Bakar property to Sherpa II and received 1,500,000 common shares of Sherpa II.

On May 21, 2025, the Company closed a non-brokered private placement pursuant to the listed issuer financing exemption under Part 5A of NI 45-106 and in reliance on the exemptions in Coordinated Blanket Order 45-935 – *Exemptions from Certain Conditions of 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 Common Share (the "**2025 Offering**").

Material facts

There are no material facts about the securities being distributed that have not been disclosed in this Offering Document or in any other document filed by the Company in the 12 months preceding the date of this Offering Document.

What are the business objectives that we expect to accomplish using the available funds?

The Company intends to use the net proceeds from the Offering for completion of technical studies at the Company's Viken Property, exploration and drilling work on the Viken Property and alum shale properties, mineral license renewals and permitting, community relations and for general corporate purposes. In particular, the Company anticipates completing the below business objectives with the net proceeds in 2026:

- P&E Mining Consultants Inc. has been retained to provide a NI 43-101 preliminary economic assessment ("**PEA**") and technical report on the Viken Property. METS Engineering Group Pty Ltd has also been retained to undertake the metallurgical component of the PEA.
- BDO Canada LLP has been retained to articulate the economic and strategic benefits of building and operating a mining operation on the Viken Property to extract uranium, vanadium, potash and other important and critical raw materials. This study will consist of three main modules: economic impact, strategic benefits and social license. The economic impact study will incorporate input from the PEA.
- Results from the Company's 2025 airborne MobileMT survey confirmed a strong conductive signature associated with the Viken Property, which correlates well with historical drill results. The 2025 MobileMT surveys also identified nine new conductive targets on the Viken Property and an additional 15 conductive targets across the Company's alum shale properties. District plans to complete approximately 5,000 to 7,000 meters of drilling at the Viken Property and alum shale properties to test targets prospective for the next potential Viken Property-style alum shale deposit. The sequence and timing of drilling will be contingent upon the receipt of drill permits.

- In late 2025, the Company submitted mineral license applications totaling an additional 72,078 hectares to the Mining Inspectorate of Sweden, which would nearly double the size of the Company’s alum shale properties if approved. Upon receipt of approvals, District plans to conduct airborne MobileMT surveys to identify high-priority drill targets and areas for potential relinquishment.
- The Company plans to undertake geological mapping, prospecting and geochemical sampling at the Ardnasvarre, Sågtjärn, and Nianfors Properties to follow up on anomalies identified from the 2025 unmanned aerial vehicle-based radiometric and magnetic surveys.

PART 3: USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

		Assuming 100% of the Offering
A	Amount to be raised by this Offering	\$10,000,000
B	Selling commissions and fees⁽¹⁾	\$500,000
C	Estimated Offering costs (e.g., legal, accounting, audit)	\$110,000
D	Net proceeds of Offering: D = A - (B+C)	\$9,390,000
E	Working capital as at most recent month end	\$8,091,003
F	Additional sources of funding	\$Nil
G	Total available funds: G = D+E+F	\$17,481,003

(1) District anticipates paying to Pareto Securities the Cash Commission (each, as defined below) as described below under “Fees and Commissions.” This number reflects the maximum estimated Cash Commission payable under the Offering, and does not contemplate potential reduced commissions in respect of sales to President’s List purchasers (as defined below).

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% of the Offering
Complete NI 43-101 technical report in progress at Viken Property	\$325,000
Complete economic impact study at Viken Property	\$125,000
Drilling of geophysical targets at the Viken Property and alum shale properties	\$2,100,000
Airborne geophysical surveys at alum shale properties	\$335,000
Follow-up fieldwork programs at Ardnasvarre, Sågtjärn, and Nianfors properties	\$400,000
Mineral license renewals and permitting	\$705,000
Community relations	\$385,000
General corporate purposes	\$2,550,000
Unallocated working capital	\$10,556,003
Total: Equal to “G” Total Available Funds	\$17,481,003

The above noted allocation represents the Company’s intentions with respect to its use of available funds based on current knowledge, planning and expectations of management of the Company. Although the Company intends to expend the proceeds from this Offering as set forth above, there may be circumstances where, for sound business

reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Company's ability to execute on its business plan and financing objectives. Such uses will not include a significant acquisition, a restructuring transaction, or any transaction requiring approval of the Company's security holders.

The most recent audited annual financial statements and interim financial report of the Company included a going-concern note. Management is aware, in making its going concern assessment, of an accumulated deficit from recurring losses, current liabilities that exceeded current assets and an ongoing dependence on its ability to generate future cash flows from operations and/or from external financing to meet its liabilities and commitments as they become due that may cast significant doubt on the Company's ability to continue as a going concern. There can be no assurance that the Company's business and strategy will enable it to generate or sustain positive cash flows from operations in future periods. The Offering is intended to permit the Company to continue its operations and is not expected to affect the decision to include a going concern note in the next annual financial statements of the Company.

How have we used the other funds we have raised in the past 12 months?

On May 21, 2025, the Company closed the 2025 Offering, whereby the Company raised approximately \$6,000,000 through an offering of 22,222,221 Common Shares at \$0.27 per Common Share.

	Intended Use of Funds	Actual Use of Funds	Amounts of Variance	Impact of the Variance on Business Objectives and Milestones	
	Airborne geophysical surveys at Viken Property	\$825,000	\$487,700	\$337,300	The variance had no impact on the Company's stated objectives and milestones.
	Airborne geophysical surveys at alum shale properties	\$2,400,000	\$1,923,100	\$476,900	The variance had no impact on the Company's stated objectives and milestones.
	Complete NI 43-101 technical report in progress at Viken Property	\$70,000	\$66,700	\$3,300	The variance had no impact on the Company's stated objectives and milestones.
	Complete the ongoing drilling program at the Tomtebo Property	\$890,000	\$675,500	\$214,500	The variance had no impact on the Company's stated objectives and milestones. An additional drilling program planned for the fall of 2025 was cancelled as a result of Boliden terminating the Option Agreement.

Complete the planned drilling program at the Stollberg property ⁽¹⁾	\$1,460,000	\$Nil	\$1,460,000	The drilling program for Boliden’s Stollberg property was cancelled as a result of Boliden terminating the Option Agreement. Boliden retained a 100% interest in the Stollberg property.
General corporate purposes	\$1,860,000	\$1,610,000	\$250,000	The variance had no impact on the Company’s stated objectives and milestones.
Total:	\$7,505,000	\$4,763,000	\$2,742,000	

(1) Represents the funding expected from Boliden for the second half of 2025 pursuant to the approved exploration budget as announced in District’s news release on February 10, 2025.

PART 4: FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Company anticipates entering into a finder’s fee agreement dated April 28, 2026 (the “**Finder’s Agreement**”) with Pareto Securities AB (“**Pareto Securities**”).

Pursuant to the Finder’s Agreement, the Company will agree to pay to Pareto Securities a fee representing 5% of the aggregate gross proceeds of the Offering (the “**Cash Commission**”). Notwithstanding the foregoing, to the extent that Common Shares are purchased by persons on a president’s list (the “**President’s List**”), the Company anticipates paying Pareto Securities a reduced Cash Commission representing 2.5% of the aggregate gross proceeds received from persons on the President’s List to a maximum of \$1,000,000.

The Company also anticipates reimbursing Pareto Securities for their expenses and disbursements related to the Offering, subject to the limitations agreed to in the Finder’s Agreement.

Does Pareto Securities have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to Pareto Securities, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

PART 5: PURCHASERS’ RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering Document, you have a right

- (a) **to rescind your purchase of these securities with District, or**
- (b) **to damages against District and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

ADDITIONAL INFORMATION

Where can you find more information about us?

Security holders can access District's continuous disclosure under the Company's SEDAR+ profile at www.sedarplus.ca and may find additional information at the Company's website, <https://districtmetals.com>.

Mr. Garrett Ainsworth P.Geog, President and Chief Executive Officer of the Company is the Company's qualified person for this Offering Document within the meaning of NI 43-101 and has reviewed and approved its scientific and technical content.

Purchasers should read this Offering Document and consult their own professional advisors to assess the income tax, legal, risk factors and other aspects of their investment of the Offered Shares.

CERTIFICATE OF THE COMPANY

April 28, 2026

This Offering Document, together with any document filed under Canadian securities legislation on or after April 28, 2025, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

(signed) GARRETT AINSWORTH

Garrett Ainsworth
President and Chief
Executive Officer

(signed) MARLIS YASSIN

Marlis Yassin
Chief Financial Officer