

Economic Impact Study

Viken Energy Metals Project, Jämtland County, Sweden

October 9, 2026

This Economic Impact Study, prepared by BDO Canada LLP for District Metals Corp., describes the expected direct, indirect, and induced economic impacts of the Viken Energy Metals Project on the Swedish economy, as well as the broader strategic value of developing this mining project for Sweden and the Jämtland region. It is based on information and assumptions provided by management of District Metals Corp., in particular the details of the Phase 1 development scenario as presented in the July 2026 Viken Deposit Preliminary Economic Assessment, complemented by information from selected public sources that were assessed as reliable. BDO has not audited, reviewed, or independently verified the underlying technical, financial, or project information and provides no opinion or assurance regarding that information or the results presented.

The economic impacts are modelled estimates and are not guarantees of future performance, forecasts of actual results, company earnings or cash flows, or investment, legal, or business advice. Actual outcomes may differ materially due to changes in project design, development timing, expenditures, employment, taxation, economic conditions, and other assumptions. There is no certainty that the development scenario assessed will be realized. The findings reflect information available as of the date of the Study and should be read together with Appendix A, which describes the methodology, assumptions, and limitations.

All monetary figures are in USD unless specified otherwise.

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Executive Summary

The Viken Energy Metals Project by District Metals, a Canadian mineral exploration company, represents a transformational energy and polymetallic resource opportunity for Sweden and the Jämtland region. Located in central Sweden, approximately 570 km northwest of Stockholm, the Viken deposit benefits from established regional infrastructure, including proximity to Östersund, road and rail connectivity, commercial air links, and grid-connected power. These advantages position Viken as a strategic mineral development opportunity with potential relevance to Sweden's long-term economic, industrial, energy, and raw material priorities.

The Viken project is positioned to deliver a national asset for the people of Sweden. Current Economic Impact Study ("EIS") modelling indicates that Phase 1 is expected to support approximately 355 direct jobs and approximately 1,065 total jobs including induced employment, to generate approximately \$1.58 billion in corporate income taxes in nominal terms over the phase one 13-year life, along with approximately \$199.6 million in direct and indirect employment income taxes on a present value basis, and to provide approximately \$29.2 million in mineral fees, shared between landowners (75%, or \$21.9 million) and the State (25%, or \$7.3 million). The project is expected to deliver an estimated total economic contribution of approximately \$7.66 billion on a present value basis (see Section 1.5). To place this scale in a national context, Viken's average annual revenue under the Preliminary Economic Assessment (PEA) would, on its own, represent approximately 16% to 20% of the combined revenue base of the Swedish mining industry once the project is included (see Section 1.6). These figures are aligned with Sweden's Agenda 2030's sustainability benefits, new investment for education and innovation, and lasting value from a diversified resource base.

Viken's significance is grounded in the scale and composition of its polymetallic resource. The project contains Vanadium, Sulphate of Potash, Uranium, Molybdenum, Nickel, Zinc, and other minerals relevant to industrial, energy, agricultural, and strategic supply chains. This profile establishes Viken as more than a single mineral Uranium project; it is a diversified resource platform that can contribute to economic security, energy security, industrial competitiveness, agricultural resilience, and long-term resource security for Sweden and Europe.

In the current geopolitical context, the strategic value of Viken is increasingly important. The European Bloc remains exposed to external sources for many critical and strategic raw materials, while Sweden has the geology, institutions, infrastructure, industrial capability, and regulatory systems needed to become a trusted supplier of responsibly developed resources. In this context, Viken can support Sweden's role as a reliable partner in strategic and critical raw materials and help reduce exposure to geopolitical supply chain risks.

The project's economic contribution extends beyond mineral production. Viken will support regional value creation through employment, procurement, supplier participation, workforce development, infrastructure use, public revenues, and broader industrial participation. For Jämtland, a region in which mining is not as established as in Norrbotten, Västerbotten, or Dalarna, the project creates an opportunity to strengthen the socioeconomic fabric through economic uplift, skills development and long-term participation in Sweden's mining and critical raw materials economy.

Responsible development is central to the Viken value proposition. In Sweden, project credibility depends on permitting discipline, environmental performance, stakeholder trust, and demonstrable regional and national benefit. Viken's development pathway will therefore be anchored in Swedish regulatory expectations, transparent engagement, water protection, environmental monitoring, tailings and waste management, closure planning, and long-term accountability.

Viken's shared value proposition rests on connecting its polymetallic resource potential with responsible design, regional participation, environmental stewardship, and long-term economic contribution. Sweden faces a strategic choice to either remain dependent on increasingly concentrated global supply chains from outside the EU, or to strengthen domestic and European resilience through responsible development of strategic raw materials. Viken supports the path toward greater Swedish and European sovereignty by offering a platform for energy security, industrial competitiveness, agricultural resilience, regional growth, and long-term economic value creation under Swedish standards.



SECTION 1

Project Description & Economic Impact

The Viken mineral deposit is in Jämtland County in central Sweden, approximately 570 km northwest of Stockholm [1]. The project area has access to established regional infrastructure, including air service through Östersund, rail freight connections, road access, and grid connected power. These existing infrastructure advantages position Viken as a strategically located and well-connected critical minerals development opportunity.



The Viken property comprises approximately 29,856 hectares across multiple mineral licences, including the core Viken Nr. 1 licence; the Norra Leden, Norr Viken, and Lill Viken licences, which are located as inliers within Viken Nr. 1; and adjacent licences such as Storviken and others [1]. The licence package and historical work indicate a district-scale mineral system, rather than a standalone deposit. Several of the mineral licences are currently in the renewal process for licence years four to six; most extension applications have been granted, with the Viken Nr. 2 and Nr. 3 applications pending, and the Viken Nr. 3 and Nr. 4 licences reduced in area.

Exploration conducted to date indicates that Viken contains a large, inferred mineral resource, including Uranium and associated minerals such as Vanadium, Sulphate of Potash, Molybdenum, Nickel, Zinc, and other industrial minerals [2], and confirms that it is likely the largest undeveloped Uranium mineral resource in the world by contained metal. Viken is therefore a polymetallic development opportunity with significant relevance for critical raw material sufficiency and industrial resilience for Sweden. The deposit is embedded in the Scandinavian sedimentary formation

referred to as alum shale, which is known to host polymetallic mineralisation [3].

The project is currently at an advanced exploration stage. In April 2025, District Metals updated the mineral resource estimate for the Viken deposit and completed airborne geophysical surveys. The current technical basis remains informed by historical drilling and legacy project data from 2006 to 2012. The planned work programme includes field investigations, additional geophysics, and drilling.

In summary, Viken is a consolidated, district-scale polymetallic asset with a large resource base, an active technical work programme, and significant relevance to Sweden's long-term priorities of energy sovereignty, sustainable development, regional growth, industrial competitiveness, and secure access to strategic raw materials. While the Viken deposit is described here at the full property scale for geological and strategic context, the economic analysis in this Study pertains specifically to the Phase 1 development scenario set out in the Company's 2026 July Preliminary Economic Assessment ("PEA"), which addresses only a small portion of the Viken deposit, estimated at less than 3% of the mineral resource base. Property-scale potential is therefore not included in the modelled economic impacts.

1.1 Development Concept and Value Proposition

The Viken deposit is a large polymetallic mineral system containing Vanadium, Potash, Uranium, Molybdenum, Nickel, Zinc, and other associated minerals. Its value proposition should therefore be understood as a multi-mineral energy and resource opportunity, rather than as a project anchored to any single mineral, which gives the project a significance that extends beyond the Phase 1 development scenario assessed in this Study. This

broad mineral profile creates relevance across industrial, agricultural, energy, and strategic raw material supply chains.

The multi-faceted value of the project as an upstream source of multiple strategic and critical raw materials in support of regional industrial activity and long-term resource security is consistent with Sweden's broader 2030 policy direction, which emphasizes integrated economic, social, and environmental development. It is also aligned with Sweden's Minerals Strategy, which supports the sustainable use of mineral resources to create jobs and growth across the country, provided development is balanced with environmental, natural, cultural, and social values, and the European Union's (EU) Critical Raw Materials Act that prioritizes secure and sustainable access to raw materials needed for Europe's industrial, climate, and digital objectives.

The Viken project will interact with, and be integrated into, the wider regional and industrial system, including infrastructure, power supply, contractors, suppliers, labour markets, public authorities, and potential downstream users, to generate significant benefits for Jämtland and the Swedish people, and the wider region. Its relevance is linked not only to extraction, but also to regional service demand, workforce development, industrial participation, and alignment with Swedish and European energy and raw material priorities - including high technology battery and steel manufacturing supported by Vanadium and Nickel, and fossil free electricity generation supported by Uranium.

1.2 Production, CapEx, OpEx, and Workforce Assumptions

Phase 1 of the Viken project translates the scale of the polymetallic resource into a tangible economic development scenario for Jämtland and Sweden over an initial span of 13 years. The EIS uses PEA informed inputs and current economic model assumptions to estimate the potential scale of production, capital investment, operating activity, workforce demand, tax contribution, mineral fees, and wider economic effects during this period. The PEA confirms that the Viken deposit is economically viable on the basis of its contained minerals and the assumed market prices. These PEA inputs provide the quantitative basis for assessing Viken's economic contribution and will be refined as the supporting technical work is finalized.

The current case is based on a 10 million tonnes per annum (Mtpa) mining operation over the proposed 13-year project life, producing a diversified suite of critical and strategic mineral products. The production profile includes approximately 16 million pounds per year of Vanadium pentoxide (V_2O_5) flake, 3.3 million pounds per year of Triuranium Octoxide (U_3O_8), 250,000 tonnes per year of Sulphate of Potash, and mixed sulphide products containing approximately 4.5 million pounds per year of Molybdenum, 1.6 million pounds per year of Nickel, and 2.1 million pounds per year of Zinc. This production mix reinforces Viken's position as a polymetallic resource platform with relevance across energy security, industrial competitiveness, agricultural resilience, and strategic raw material supply chains.

Table 1 - Key metrics from the Preliminary Economic Assessment (PEA)

Metric	Value
After-tax NPV (8%)	US\$2,881 million
Pre-tax NPV (8%)	US\$3,698 million
After-tax IRR	45.9%
After-tax payback	2.1 years
Mine life	13 years production + 1 year pre-production
Throughput	10 Mtpa

Initial capital cost	US\$876 million
Total capital costs (incl. sustaining)	US\$1,034 million
Life-of-mine operating costs	US\$5,932 million
Unit operating cost	US\$46.58 per tonne processed

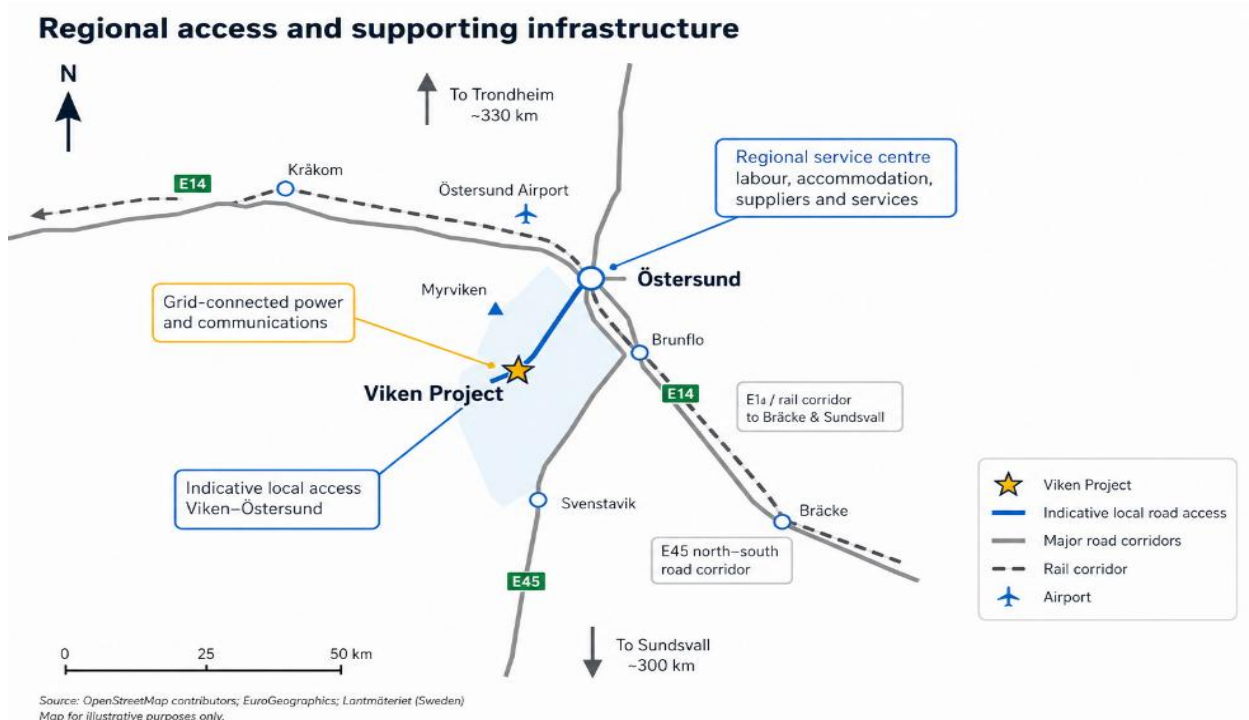
Source: DMC Viken PEA (July 2026), Tables 1.3-1.6 and cash flow schedule. NPV figures are discounted at 8%.

From an investment and operating perspective, the current EIS case identifies approximately \$1 billion in capital expenditures and approximately \$6 billion in operating costs over the project's expected 13-year production period. This level of expenditure creates a substantial economic platform for construction activity, operating procurement, contractor participation, supplier demand, logistics, accommodation, maintenance, technical services, and wider business activity. The degree of local and regional capture will depend on procurement strategy, supplier readiness, workforce availability, and the final delivery model, but the scale of spend demonstrates why Viken is positioned as a meaningful economic development opportunity for Jämtland and Sweden.

The current workforce case includes approximately 355 direct jobs. In addition to direct employment, the EIS applies a broader employment effect of approximately two additional jobs for every direct mining job, which translates into approximately 710 induced and indirect roles and a total employment effect of approximately 1,065 jobs. The induced employment reflects the secondary activity generated through suppliers, contractors, services, and household spending. This factor is appropriate for a remote region where supporting service capacity must largely be newly established, and induced roles are assumed to earn approximately half the average mine wage, consistent with national wage levels. The direct roles are also well paid - the average direct wage implied by the staffing case is approximately US\$111,000 per year, roughly double the Swedish national average. This distinction demonstrates the direct employment effect clearly, while also recognizing the broader economic activity that is expected to be induced from the operation of the mine.

1.3 Infrastructure, Logistics, and Utility Requirements

The Viken project benefits from an environment in which there is strong general infrastructure for a development stage mineral property. The Viken property is connected to the wider region through Östersund, the principal nearby urban and service centre, which provides access to commercial air links, road and rail infrastructure, labour, accommodation, and supporting services. This creates an opportunity for Viken to support regional diversification and expand local participation in Sweden's mining and critical raw materials economy [1].



Note: Map is schematic and intended for report narrative use; corridor alignments are illustrative, not engineering scale.

These infrastructure features strengthen the project's economic position by supporting cost efficiency, schedule reliability, labour access, procurement, logistics, and regional value retention. Road and rail links support the movement of personnel, consumables, equipment, and contractor services, while air access through Östersund supports business connectivity, investor access, technical coordination, and supplier engagement. Access to Sweden's grid connected power system is also a strategic infrastructure advantage, particularly as the project advances toward the power capacity required for construction, processing, and operations.

Overall, Viken's access to the existing infrastructure described above supports its broader regional economic case, while remaining subject to project specific confirmation of capacity, connection requirements, upgrade needs, operating continuity, and related utility assumptions.

1.4 Value Delivery Channels

The proposed Viken mining operation has the potential to become a significant long-term contributor to the regional economy through direct and indirect employment, local and regional procurement opportunities, infrastructure utilization and enhancement, and broader industrial development associated with critical mineral production.

The principal project value drivers are:

- **Labour and workforce:** The project will create demand for direct employment, contractors, and supporting services across exploration, construction, and operations. Workforce participation is likely to be one of the clearest channels through which regional value is generated, with the ultimate scale shaped by project design, labour availability, and procurement strategy.
- **Procurement and supply chain:** Project expenditures will generate demand for goods and services, including construction, logistics, maintenance, equipment, professional services, and operational

support. The level of local and regional supplier participation will determine how much of this expenditure is retained in the local economy and the broader Swedish economy.

- **Infrastructure and utilities:** Power and transportation access requirements can support investment in local and regional infrastructure, creating economic activity beyond the mine site. These requirements should be assessed through established technical, permitting, and planning processes.
- **Public finance and regional activity:** Project activity will support public revenues and regional economic activity through wages, procurement, taxes, fees, and related service demand. The scale and timing of these benefits will be refined as project economics, and applicable fiscal arrangements are developed.
- **Environmental, land-use, and governance context:** Operating within Sweden's environmental, social, and stakeholder engagement requirements are expected to strengthen the project's contribution to responsible resource development and institutional confidence. The governance context is an important condition for converting project activity into durable shared value.

Established Nordic mining operations demonstrate that these value transmission channels can be observed and, at least directionally, quantified. For example, Boliden's Aitik mine in Gällivare, northern Sweden, reports approximately 900 employees, of whom 93% are local residents, and estimates that the operation generates 1,477 indirect jobs through entrepreneurs and providers of goods and services. Aitik is also identified as the largest private employer in Gällivare Municipality, representing approximately 9.9% of the municipality's total workforce [4].

Similarly, Boliden's Kevitsa mine in Sodankylä, northern Finland, provides a useful polymetallic Nordic benchmark. As of the end of 2024, Kevitsa had 549 employees, with approximately 300 additional employees working on site through partners, and the mine was reported to support livelihoods directly or indirectly for more than 1,000 people. Boliden has also reported local purchases by Kevitsa of more than EUR 17 million in 2023 [4].

These examples should only be treated as illustrative for Viken, given differences in scale, mineral profile, mine design, permitting status, and regional labour market conditions. However, they provide directional evidence that the principal channels identified for Viken, which include employment, contractor participation, supplier demand, infrastructure use, public revenues, and local service activity, are observable and measurable in established Nordic mining contexts.

Together, these channels provide a practical basis for assessing Viken's potential economic contribution, particularly when considered against observable benchmarks from established Nordic mining operations and refined through project-specific PEA assumptions.

1.5 Total Economic Contribution

The EIS has estimated a total economic contribution of approximately US\$7.66 billion on a present value basis over the 13-year Phase 1 mine operation, based on a set of production, expenditure, employment, and taxation assumptions sourced from the PEA and reliable public sources. The contribution comprises five components: the value of the mine itself, household consumption, capital investment, government revenue and spending, and operating spend. Each of them is split between direct (first round) effects and indirect and induced effects, as shown in Table 2.

Table 2 - Total Economic Contribution (US\$ millions, present value at 8%)

Component	Mine value	Household consumption	Capital investment	Government revenue & spending	OpEx - Operating spend	Total
Direct	2,881.0	212.2	775.0	1,016.6	187.9	5,072.8
Indirect & induced	725.7	496.5	519.3	847.6	-	2,589.1
Total	3,606.7	708.7	1,294.3	1,864.2	187.9	7,661.9

Note: Direct effects are first round effects with no multiplier: the PEA after-tax mine NPV, direct wages, domestic capital expenditure, direct tax revenue, and the domestic operating spend return. Indirect and induced effects comprise the clustering and efficiency uplift applied to the mine NPV, induced employment and its income tax, and the re-spending multiplier applied to consumption, investment, and government revenue; no multiplier is applied to operating spend. Figures are present values at an 8% discount rate and may not sum precisely due to rounding.

The total economic contribution to Sweden is approximately \$7,626.5 million, with \$35.4 million of benefits expected to accrue to the rest of the EU, for a total of \$7,661.9 million. Approximately \$4.06 billion of the total comprises secondary and operating impacts (consumption, investment, taxation and government spending, and operating spend), of which approximately \$1.12 billion is attributable to Jämtland; the regional allocation is discussed in Sections 4.2 and 4.3.

The economic model applies an operating expenditure impact alongside the capital expenditure, labour income, and taxation effects. Non-payroll operating expenditure over the life of mine is converted to a present value of approximately \$3.29 billion, of which approximately 71% is assessed as domestically sourced on the basis of a preliminary category-level breakdown. An 8% rate of return applied to this domestic operating spend yields an operating spend impact of approximately \$187.9 million. No re-spending multiplier is applied to this component because the expenditure is predominantly business-to-business and capital intensive. The treatment is deliberately conservative, and the impact is classified as a direct effect in Table 2. Please note that the share of domestic has been estimated after reviewing relevant research in authoritative studies.

The public revenue contribution is also significant. The project is expected to generate approximately \$1.58 billion in corporate income taxes, in nominal terms, over the 13-year mine life, together with approximately \$199.6 million in direct and indirect employment income taxes on a present value basis, and a State Mineral Fee of approximately \$29.2 million, shared between landowners (75%, or \$21.9 million) and the Swedish State (25%, or \$7.3 million). The distribution of direct taxes and fees between the State, municipalities, and landowners is summarised in Table 3.

Table 3 - Direct State and Municipal Taxes (US\$ millions, nominal over the phase one 13 year life of mine)

Tax Component	State	Municipal	Landowner	Total
Corporate Income Tax	1,580.0	-	-	1,580.0
Employment Income Tax	20.0	144.4	-	164.4
State Mineral Fee	7.3	-	21.9	29.2
Total	1,607.3	144.4	21.9	1,773.6

Note - Corporate income tax is levied at the national level; municipalities do not levy corporate income tax. Employment income tax is apportioned 87.8% municipal / 12.2% State, derived role by role from the project staffing schedule using the 2026 state-tax threshold (skiktgräns) of SEK 643,000, the 20% state rate above that threshold, and the SCB average

municipal rate of 32.38%. The State Mineral Fee is split three quarters to landowners and one quarter to the State under the Minerals Act (Minerallag 1991:45).

The results of the EIS illustrate how Viken’s resource profile can translate into practical economic value through production, investment, operating expenditure, employment, taxes, mineral fees, supplier participation, and secondary economic activity. They provide a clear foundation for positioning Viken as a project with meaningful economic, fiscal, and regional development potential, while enhancing Sweden’s sovereignty and enabling a substantive Swedish contribution to EU supply chains currently serviced from outside the Union.

The methodology, assumptions, and limitations underlying the economic impact calculations are set out in Appendix A.

1.6 Relative Scale: Viken and the Swedish Mining Industry

To place the project’s scale in a national context, Viken’s forecast revenue can be compared directly with the revenue of the existing Swedish mining industry. Under the PEA, Viken’s life-of-mine net revenue of approximately US\$14,587.5 million equates to an average of approximately US\$1,122 million per production year over the 13-year Phase 1 mine life, or approximately SEK 10.9 billion at the 30 June 2026 reporting rate of 9.7013 SEK/USD. The comparison expresses Viken as a share of the combined Swedish mining revenue base after Viken is added, calculated as $\text{Viken} \div (\text{existing Swedish mining revenue} + \text{Viken})$, so that the resulting share reflects the sector as it would stand with the project in operation.

Against the official turnover of the Swedish metal mining industry reported by the Geological Survey of Sweden of approximately SEK 57 billion for 2024, excluding smelters, Viken’s average annual revenue corresponds to approximately 16.0% of the combined revenue base [5]. A bottom-up build of the 2024 revenues of the thirteen currently producing Swedish metal mines reconciles to approximately 97% of the official benchmark and produces a share of approximately 16.4%. As an upper-end sensitivity, the broader Eurostat structural business statistics for the Swedish mining and quarrying sector (NACE Section B), with net turnover of approximately EUR 4.0 billion in 2024, produce a share of approximately 19.6% [6]. On this basis, a potential Viken mining operation would represent approximately 16% to 20% of the combined Swedish mining revenue base after Viken is added, as summarised in Table 4.

Table 4 - Viken Relative to Swedish Mining Revenue Benchmarks

Benchmark	Existing sector revenue	Viken average annual revenue	Combined revenue base	Viken share
Official SGU metal-mine turnover, 2024 (SEK M)	57,000	10,886	67,886	16.0%
Bottom-up build, 13 producing metal mines, 2024 (SEK M)	55,461	10,886	66,347	16.4%
Eurostat mining and quarrying (NACE B), 2024 (EUR M)	4,020	983	5,003	19.6%

Note: Viken average annual revenue is life-of-mine net revenue under the PEA (US\$14,587.5 million) divided by 13 production years, converted at the 30 June 2026 H.10 reporting rates (9.7013 SEK/USD; 1.1417 USD/EUR). Shares are calculated as $\text{Viken} \div (\text{existing sector revenue} + \text{Viken})$. The comparison is a relative-scale indicator based on forecast PEA net revenue and historical industry turnover; it is not a market share, GDP, or gross value added measure. Figures are rounded.



SECTION 2

Stakeholders, Participation & Shared Value

The Viken mining operation would interact with a broad regional and institutional environment extending well beyond the project site itself, including the surrounding communities, labour markets, infrastructure systems, public-sector institutions, and wider industrial priorities within Sweden and Europe.

Stakeholder and rights-holder considerations are central to the project because they influence workforce participation, supplier activity, environmental confidence, infrastructure coordination, regional economic integration, and long-term project credibility. These considerations are connected to the broader conditions under which visible regional benefit, institutional confidence, and responsible resource development may be established as the project advances. Therefore, it is prudent to highlight the principal groups and participation channels that are most relevant in the project's regional and strategic context.

This section examines the stakeholder and rights-holder groups that are most directly connected to project activity, how those connections are likely to materialise in practice, and what conditions may influence the realisation of shared value at the regional and national level.

2.1 Stakeholder Context

The stakeholder and rights-holder environment for the Viken project includes a broad set of local, regional, national, and institutional participants. The principal stakeholder and rights-holder groups are outlined below:

- **Local landowners and land users:** Residential landowners, agricultural landowners, forestry operators, recreational users, tourism-related interests, and other parties connected to existing land-use patterns surrounding the project area.
- **Nearby communities and regional population centres:** Communities most directly connected to the project area, including Oviken, Myrviken, the wider Storsjön-area communities, and associated regional service centres linked to the surrounding economy.
- **Sámi rights-holders:** Rights-holder interests connected to Sami land use, cultural interests and Sweden's statutory consultation framework. Based on information provided by Sámi representatives, the Viken deposit and target areas for the project are understood not to be used for reindeer husbandry, while the northern portion of the Viken property is used for some reindeer related activities. This distinction should inform future engagement, assessment of land-use interactions, and documentation of project area overlap [8].
- **Workers, households, and labour market participants:** Regional workers, contractors, households, and labour market participants connected to employment, labour income, workforce participation, and associated economic activity.
- **Local businesses, suppliers, and contractors:** Regional suppliers, logistics providers, maintenance firms, technical consultants, accommodation providers, transport firms, and other commercial participants potentially connected to project development and operations.
- **Municipal and regional public sector institutions:** The host municipality, nearby municipalities, Region Jämtland Härjedalen, the County Administrative Board, and associated public authorities connected to permitting, environmental oversight, infrastructure coordination, public service readiness, and regional planning.
- **Education and workforce development institutions:** Universities, technical institutions, vocational training providers, and workforce development organisations connected to skills development, technical training, applied research, and workforce preparation.

- **National and international stakeholders:** Government authorities, industrial participants, and institutional stakeholders connected to strategic and critical raw materials, industrial resilience, energy systems, strategic supply chains, and long-term economic development priorities.

In the Viken context, these stakeholder and rights-holder groups are connected to the project through several recurring participation themes, which are examined in the subsections that follow.

2.2 Stakeholder Implications and Shared Value

The proposed Viken development will impact the regional and national economies through several practical participation channels. The description below considers how those connections are expected to materialize in practice, and what they imply for the distribution of economic and social benefits across each stakeholder group. National polling commissioned by the Geological Survey of Sweden (SGU) and conducted by Novus offers useful context for several of these channels, and the relevant findings are referenced below.

- **Workforce and households:** Labour demand would span construction, commissioning, ramp-up, and steady-state operations, covering direct employment, contractor activity, and supporting functions. The operational phase is expected to generate a more stable employment base than construction, which tends to be contractor intensive and shorter term. This labour dimension sits at the centre of the shared-value case: 67% of Swedes regard mining as important for creating jobs and 74% see it as important for the national economy [7]. The scale of household income effects for Viken would nonetheless depend on project design, labour availability, contractor strategy, and the share of the workforce residing locally.
- **Local Businesses and Suppliers:** Project expenditures across construction and operations would create demand for logistics, maintenance, accommodation, transport, consumables, and technical services, and how much of this becomes sustained regional activity would depend on procurement strategy and local supplier capacity. The materiality of these supplier and indirect employment channels is well established nationally; research on the Swedish mining cluster by Copenhagen Economics for Svemin estimates that mining accounts for around 3% of GDP and supports 100,000-125,000 direct and indirect jobs [8].
- **Public sector institutions:** Municipal and regional authorities would be engaged through permitting, infrastructure coordination, and public service planning, while project activity would contribute to public revenues through taxes, fees and payments to landowners subject to applicable fiscal arrangements. A development of this scale would also place demands on transport, emergency response, environmental monitoring, and municipal planning systems, and the readiness of those systems would need to be assessed as the project advances. Public sentiment is broadly supportive of mining's economic role, but that support is conditional on credible delivery, a theme developed in the community and environmental discussion below.
- **Communities, land users, and rights-holders:** Land use interactions would arise through water management, transport activity, landscape considerations, and compatibility with agricultural, recreational, and tourism uses, and Sámi consultation requirements are legally embedded in the permitting process throughout project advancement. Public attitudes here are more nuanced: 72% of respondents perceive a conflict between mining and environmental issues, and while 46% would accept an active mine nearby, 41% would not. At the same time, 45% consider mining important for reducing negative environmental impacts, a reminder to distinguish strategic environmental benefits from local environmental impacts [7]. Viken's geology sharpens this point: SGU's guidance notes that alum shale can host metals that are critical for innovation, but also Uranium and sulphide minerals that require special handling to manage environmental risk. Water management, environmental controls, land use

compatibility, permitting transparency, and regular engagement are therefore central to building community and institutional confidence.

- **National and strategic stakeholders:** The project's relevance to strategic and critical raw material and industrial resilience priorities at the national and European levels is addressed in Section 4. National sentiment is consistent with this strategic view: 64% of Swedes agree that the Swedish mining industry should be given the opportunity to develop in order to secure the supply of important metals [7].

2.3 Shared Value Implications for Viken and Surrounding Region

The participation channels and stakeholder implications described above indicate that the potential for shared value at the regional and national level is meaningful. Its realisation will depend on a combination of project level decisions, institutional conditions, and broader contextual factors.

At the regional level, the strongest areas of potential shared value are expected to arise through employment, labour income, supplier participation, contractor activity, infrastructure utilisation, public revenues, and associated economic circulation linked to project development and operations. These effects are most likely to be sustained if labour sourcing, procurement strategy, and infrastructure planning are actively oriented toward regional participation.

At the same time, workforce participation, supplier integration, environmental stewardship, infrastructure readiness, and public sector coordination are not, and should not be considered, separate issues. Together, they form part of the wider conditions under which long-term project credibility and regional legitimacy may be established. For Viken, the strongest shared value case is therefore not based on a single impact category or stakeholder group in isolation. Rather, it depends on the combination of responsible resource development with credible environmental management, regional participation, institutional confidence, and practical long-term economic contribution.

These conditions are discussed further in the context of the Swedish and Jämtland regulatory, economic, and social environment in Section 3.



SECTION 3

Earning Trust Through Sustainability

Public confidence is earned through transparency, accountability, responsible stewardship, and performance over time. For Viken, trust will be built by demonstrating that the project can combine strategic raw material value with Swedish standard permitting discipline, environmental management, stakeholder engagement, water protection, monitoring, and long-term accountability. Sustainability is therefore central to the way Viken's value proposition is presented. The project's polymetallic resource profile creates relevance across industrial, energy, agricultural, and strategic raw material supply chains, while Sweden's regulatory and institutional environment provides a framework for responsible development. This allows Viken to be positioned as a project with both strategic raw material value and a pathway to long-term shared value.

3.1 Swedish Regulatory and Institutional Context

Sweden provides a mature and established permitting environment for mineral development. Mineral rights are administered under the Minerals Act (Minerallag 1991:45), while environmental assessment, permitting, and operating conditions are addressed through the Environmental Code (Miljöbalk 1998:808) and related approval processes [9]. This framework creates a clear institutional pathway for projects that can demonstrate technical discipline, environmental responsibility, transparent consultation, and long-term planning.

For Viken, this regulatory context supports a development narrative based on credibility and preparedness. As the project advances, baseline studies, environmental impact assessment, mitigation planning, water management, biodiversity considerations, closure planning, and financial security elements will form part of the evidence base used to demonstrate responsible development. The project's ability to progress through the permitting framework will depend on the quality of its technical work, the clarity of its stakeholder engagement, and verification of its alignment with Swedish expectations for environmental and social performance.

3.2 Jämtland Regional Context

The Viken project is located in the County of Jämtland, a region with established infrastructure, regional services, road and rail connectivity, access to Östersund, and a strong economic base outside traditional mining. Since Jämtland is not an established mining district like Norrbotten, Västerbotten, or Dalarna, Viken represents an opportunity to contribute to regional diversification and to introduce new industrial activity in a way that is aligned with local development priorities.

The project's regional positioning will emphasize local legitimacy, local benefits, institutional trust, and early engagement. Viken can be a potential catalyst for regional value creation, connecting mineral development with existing regional strengths in infrastructure, services, workforce participation, supplier activity, land-based industries, and long-term economic planning. In particular, the project could create meaningful, well-paying employment opportunities for young people in Jämtland, supporting youth retention and expanding pathways to long-term careers within the region. Therefore, the project has the potential to be a broader regional development opportunity rather than just an isolated extractive operation.

3.3 Environmental Considerations and Management Priorities

Viken's environmental case will be built around disciplined management of the key issues that typically shape mineral project assessment in Sweden. These include land disturbance, water management, biodiversity, waste and tailings management, emissions, closure, and long-term monitoring. Because the Viken deposit is hosted in alum shale, geochemical characterization will be an important part of future project work, particularly in relation to the handling of mineral-bearing material, process residues, and materials requiring specific environmental controls [9].

Water management will be a central component of the project's environmental planning. Future studies will define how contact and non-contact water are managed, how surface water and groundwater are monitored,

how drainage and seepage risks are controlled, and how discharge requirements are addressed within the permitting framework. This creates an opportunity for Viken to demonstrate a proactive and technically rigorous approach to one of the most important environmental themes in mining.

The PEA also contemplates a continuous surface mining method with no drilling or blasting, a low strip ratio, integrated dust suppression, and dry stack tailings, which are all design features that reduce vibration, dust, water demand, and long-term storage risk relative to conventional approaches. Waste rock, tailings, and process residues will also be addressed through project specific design, geochemical testing, storage planning, stability assessment, seepage control, progressive reclamation, emergency preparedness, and closure planning. Early integration of these considerations supports a stronger permitting case and demonstrates that environmental stewardship is being treated by design rather than as a later stage compliance requirement.

Closure planning will form part of the project's long-term sustainability framework. A credible closure approach will include remediation planning, financial security, progressive reclamation where practical, and long-term monitoring. This reinforces the project's commitment to addressing environmental responsibilities across the full life cycle of development, operation, and post-closure management.

3.4 Community, Land Use, and Stakeholder Engagement

Viken's social licence will require a trust-building process that develops through early engagement and transparent communication. The project will aim to build credibility by providing clear information, listening to local priorities, incorporating stakeholder input into project planning, and demonstrating how engagement contributes to better development outcomes.

Priority engagement groups will include relevant municipalities, Jämtland regional authorities, landowners, nearby communities, local businesses, education and training providers, environmental organizations, water and land-use interests, and other affected or interested stakeholders. This engagement approach positions Viken as a project that is actively building relationships, addressing concerns early, and aligning future development with regional expectations.

The approach to stakeholder engagement will focus on constructive participation rather than assumed acceptance. Key themes will include employment, procurement, training, traffic, infrastructure, water, land access, environmental management, emergency response, and closure. Achieving and maintaining the social license to operate will be at the core of the development pathway and serve as a foundation for long-term regional support.

3.5 Economic Participation and Regional Benefit

Viken will support regional value creation through employment, procurement, supplier development, infrastructure use, workforce training, accommodation demand, municipal revenues, and broader participation by Jämtland businesses in the Swedish mining supply chain. These benefits are central to the shared value case because they show how future development can generate economic activity beyond the mine site itself. Regional value also flows directly to landowners: the State Mineral Fee provides approximately \$21.9 million in payments to landowners within the concession area over the mine life.

At the same time, regional benefit has been approached realistically. Because Jämtland is not currently one of Sweden's established mining regions, the project is expected to draw on a combination of local capacity and specialist mining expertise from other parts of Sweden or from external contractors, particularly during construction, commissioning, and early operations. This will be a positive opportunity to transfer knowledge, expand local supplier capability, and build mining-related skills in the region over time. For Jämtland's young people, in particular, the project offers the prospect of meaningful, well-paid employment close to home,

reducing the need to choose between remaining in the region where they grew up and earning a competitive living. The outcome is higher youth retention and longer-term demographic resilience for the region.

Viken's regional economic case will be strongest where benefits are clearly defined and measurable. Future project work will distinguish between direct, indirect, and induced employment; local and non-local procurement; temporary construction activity and long-term operating roles; and immediate service demand versus durable regional capacity. This allows the project to present a credible economic participation model while avoiding inflated or unsupported benefit claims.

3.6 Critical Raw Materials and Sweden's Industrial Strategy

Viken's polymetallic resource profile aligns with broader Swedish and European interests in expanding secure, responsible domestic supply chains for critical and strategic raw materials. The European Critical Raw Materials Act establishes clear 2030 benchmarks for EU extraction, processing, recycling, and supply diversification, creating a policy environment that supports responsible upstream mineral development within Europe [10].

Within this policy context, Viken can be presented as a prospective upstream source of multiple, strategically relevant materials for energy, industry, and agriculture. Its value is not limited to one mineral; rather, the project's significance comes from the combination of Uranium, Vanadium, Molybdenum, Nickel, Zinc, Sulphate of Potash, and other associated minerals that would materially contribute to supply diversification and resource security [1].

Viken's strategic positioning is enhanced by its commitment to responsible development under Swedish standards. Not only is the project a potentially significant contributor to domestic supply resilience, regional industrial participation, and European raw material security, but it will be working towards this contribution while maintaining clear language around project maturity, future studies, permitting requirements, and economic validation in line with requirements.



SECTION 4

Strategic Relevance for Sweden and Europe

The relevance of the proposed Viken project extends beyond site-level economics and into regional-level strategic benefits. In the current Swedish and European context, mineral projects are increasingly assessed from the perspective of securing local supply, boosting industrial resilience, supporting energy security, and reducing dependence on concentrated external sources of strategically important materials.

For Viken, the strategic case rests primarily on three connected points. First, the project would unlock a local source of Uranium to meet Sweden's current and projected nuclear energy needs well into the future, in support of carbon free energy security. Second, it has a polymetallic resource profile that extends beyond Uranium into other critical raw materials, at a time when securing supply is increasingly challenging due to a volatile geopolitical context. Third, it is located in a stable Northern European jurisdiction, providing the EU with a safe, local source of important and critical raw materials.

This is also why the 2030 policy context becomes directly relevant. The EU Critical Raw Materials Act sets 2030 benchmarks for extraction, processing, recycling, and supply diversification, for which Viken would represent a significant contribution. At the same time, the Viken project would be aligned with Sweden's Agenda 2030 framework, which emphasizes that economic development should be considered alongside social and environmental outcomes, by supplying important raw materials in a socially and environmentally responsible manner.

4.1 Contribution to critical raw materials supply

Viken's strategic relevance begins with the scale and composition of the resource. District Metals has described a polymetallic resource containing Vanadium, Uranium, Molybdenum, Nickel, Zinc, Sulphate of Potash, and other associated minerals that are strategically relevant to energy, industry, and agriculture [1]. This profile establishes Viken as more than just a single mineral Uranium project.

At the European level, the Critical Raw Materials Act establishes a clear policy direction. The Act sets 2030 benchmarks for the EU to meet 10% of annual needs through extraction, 40% through processing, and 25% through recycling, while also seeking to ensure that no more than 65% of annual EU consumption of a strategic raw material, at any relevant processing stage, is sourced from a single non-EU country [11].

Under Regulation (EU) 2024/1252, Vanadium is formally designated as a critical raw material and Nickel as a strategic raw material, anchoring part of Viken's mineral suite directly in EU policy. Viken is therefore relevant as a prospective upstream source of multiple strategic and critical raw materials for the EU, and as one of the world's largest undeveloped Uranium resources, its significance is not only a matter of resource size, but also its contribution to supply diversification, regional value creation, and a more secure base of European raw materials.

Sweden's national policy is moving in the same direction. On July 23rd, 2026, the Swedish Government released a new minerals strategy, which sets a vision for a growing, fossil-free, and technology-leading minerals and recycling industry that strengthens Sweden's competitiveness and resilience [12]. The new strategy welcomes the EU Critical Raw Materials Regulation and sets the objective that, by 2030, Sweden should have production, approved environmental permits, or granted processing concessions in place for the strategic raw materials designated by the European Commission, without compromising environmental standards. Supporting measures include permitting reform aligned with the Regulation's 27-month deadline for strategic extraction projects, an investigation into designating mineral deposits as national interests, and a review of mining taxes and fees, including the level of the mineral fee.

Two further elements of the strategy are directly relevant to a project of Viken's scale and location. The first is potential government support for strategic mining projects: the Swedish Government will investigate potential mechanisms to facilitate and co-finance the development of strategically important mining projects. Among the potential models identified is the establishment of a state-owned investment company that could

support the development of prioritized mining projects, representing a potential shift toward greater government participation in Sweden's mining sector. The second is greater local value sharing: the Swedish Government will launch an inquiry into mechanisms to increase local acceptance of mining by providing greater economic benefits to communities and other local stakeholders. This includes reviewing the existing mineral fee and potential models for local value sharing or compensation, which could strengthen the social licence for responsible mineral development [12].

For Sweden, Viken's Uranium component is especially relevant in the context of the revised legal framework and renewed attention given to nuclear power. The Riksdag's 2025 decision to allow Uranium mining and classify it as a concession mineral changes the legal context for Uranium-bearing deposits, while Sweden's current energy policy places renewed emphasis on fossil free electricity, electrification, and stable power supply [13]. The removal of the municipal veto on Uranium processing takes legislative effect on 15 July 2026, further consolidating this framework [14]. Separately, a government inquiry into alum shale mining has commenced, with findings due in February 2027. Its scope includes the role of municipalities and the treatment of alum shales as a source of critical raw materials [15].

4.2 Industrial resilience and value-chain development

The industrial significance of the proposed Viken project development is best understood through its position within wider value chains rather than as an isolated extraction project. Mining projects of this type can influence industrial resilience through several channels, including upstream supply availability, investment in enabling infrastructure, development of contractor and service ecosystems, integration with technical and research institutions, and the strengthening of domestic industrial capability around strategically relevant materials. In the present European setting, these channels are no longer peripheral. They are increasingly treated as part of the broader architecture of economic security and productive resilience [11].

This value chain interpretation is directly relevant to both energy sovereignty and defence resilience. In the case of Uranium, upstream extraction forms only one part of a longer fuel cycle, but domestic or regionally aligned upstream supply matters because it reduces vulnerability at the front end of the chain and supports a more secure basis for the long-term expansion of nuclear power generation. In the case of Vanadium and other associated minerals, the relevance extends to industrial inputs, battery storage technologies, alloys, and broader manufacturing resilience. Notably, roughly 85-90% of global Vanadium production currently originates from China and Russia, with almost all the remainder produced in the other BRICS economies of South Africa and Brazil, which underscores the strategic value of a secure European source [16]. In the case of Sulphate of Potash (SOP), the project's strategic logic also reaches into agricultural input security and fertiliser related supply chains. The resulting significance is therefore not confined to one market: it extends across energy systems, industrial supply networks, and agricultural inputs, which is precisely the type of multi-channel relevance that has become more important in both EU strategic raw materials policy and Sweden's wider resilience framework. [13]

Beyond the mineral extraction itself, the Viken project's strategic value would therefore arise from the strengthening of a wider industrial and service ecosystem associated with strategically relevant materials. Of the approximately \$4.06 billion in secondary and operating impacts identified in the economic model, an illustrative allocation attributes approximately \$1.12 billion to Jämtland, approximately \$2.90 billion to the rest of Sweden, and approximately \$35 million (about 0.9%) to the wider EU. The local impacts reflect the household consumption concentrated in the Östersund labour-market region, procurement and supplier activity concentrated in Sweden's established mining and industrial centres, and taxation effects distributed largely nationally through corporate taxation and fiscal equalisation. No authoritative Viken-specific source exists for the geographic breakdown of benefits; it is presented as an illustrative estimate in the EIS, informed by Swedish labour market, industry, and tax references.

4.3 Regional development and economic diversification

The strategic relevance of Viken is not confined to European supply security and national industrial policy. It also includes the project's potential role in reshaping the economic profile of Jämtland through industrial diversification, skills formation, business participation, and the creation of a more substantial project linked economic base. This matters because regional development is itself a resilience issue; a host region economy with greater industrial depth, more varied sources of value, and stronger technical capability is less vulnerable to narrow sector dependence and better positioned to participate in nationally significant supply chains.

Projects of this scale can alter regional economic structure by generating durable employment, stable procurement demand, and a wider ecosystem of contractor, service, and technical activity. In the Viken context, this is especially important because the regional strategic case depends not only on output or tax effects, but on development activity that deepens the host region's economic base rather than remaining narrowly concentrated at site level. The logic of regional diversification is therefore directly connected to the extent to which local labour, local suppliers, and regional institutions are able to participate in project delivery and operations. On the current economic model, the approximately \$1.12 billion of secondary and operating benefits attributable to Jämtland comprises approximately \$496 million in consumption effects, \$194 million in investment effects, \$56 million in operating spend effects, and \$373 million in taxation and government spending effects.

National public opinion evidence further indicates that mining is widely associated with economic importance and job creation in Sweden. These themes are directionally consistent with regional development considerations relevant to Jämtland, including employment, infrastructure, economic growth, and public revenue [7].

4.4 Alignment with national and EU policy objectives

Viken sits within an EU and Swedish policy context that increasingly links critical raw material supply, industrial resilience, environmental credibility, and regional value creation. At the EU level, the relevant framework is the Critical Raw Materials Act (CRMA), Regulation (EU) 2024/1252. Rather than a general raw materials agenda, the CRMA establishes a legal framework for secure and sustainable EU supply of critical raw materials and sets 2030 benchmarks for EU extraction, processing, recycling, and supply diversification [17]. Several of Viken's contained minerals are designated as critical or strategic raw materials under the CRMA, meaning that should Viken be recognised as a Strategic Project under the Act, it could benefit from the CRMA's streamlined permitting timelines - a maximum of 27 months for extraction projects - and from improved access to coordinated financing support.

The Critical Raw Materials Act therefore gives operational structure to supply security objectives through its 2030 benchmarks and Strategic Projects framework at the EU level. This matters because projects are increasingly judged not only as commercial ventures, but as part of a wider industrial-policy architecture concerned with resilience, competitiveness, and security of supply.

At the Swedish level, the revised treatment of Uranium creates a more enabling legal context for Uranium-bearing mineral projects. Sweden's energy policy has also placed renewed emphasis on fossil free electricity, new nuclear power, electrification, and stable electricity supply [13]. Defence and civil resilience provide additional policy context, particularly around robust infrastructure, domestic capability, and reduced vulnerability to external disruption, even if seen as supporting considerations rather than the primary justification for Viken.

While not an unconditional mandate, public opinion provides a further signal. Public national polling commissioned by SGU and conducted by Novus indicates broad support for mining's economic and strategic role: 64% of Swedes agree that the Swedish mining industry should be given opportunities to develop to secure the supply of important metals, 74% consider mining important for the Swedish economy, and 67% consider it

important for creating more jobs. However, the same polling also shows that mining development remains conditional from a social and environmental perspective: 72% of respondents perceive a conflict between mining and environmental issues, while 46% would consider having an active mine nearby and 41% would not. The implication is that Viken's national strategic relevance must be matched by credible regional delivery, environmental stewardship, and stakeholder engagement [7].

4.5 Conditions required for strategic value realisation

Strategic relevance does not guarantee strategic value realization. The translation of resource scale into national and European significance depends on a set of enabling conditions spanning technical, institutional, environmental, and social dimensions.

- **First, the proposed development must demonstrate technical and commercial credibility.** This includes a development concept capable of supporting durable production, recoverable outputs, and an investable operating profile. Without this foundation, claims relating to critical raw material security, energy sovereignty, or industrial resilience remain theoretical. The recently completed PEA has already provided an initial, positive confirmation of viability, which subsequent studies will further expand.
- **Second, strategic value depends on regulatory progression.** Strategic arguments may strengthen the policy case for a project, but they do not substitute for permitting, environmental compliance, or legal robustness. This is particularly important in Sweden, where public legitimacy and procedural confidence remain material to the practical advancement of major extractive developments.
- **Third, strategic value depends on system readiness.** Transport, power, water management, contractor capacity, workforce availability, housing, and public service resilience all shape whether the development can be integrated into the host region economy and whether it can do so in a way that remains credible under both normal operating conditions and wider resilience-oriented frameworks. In a Swedish context increasingly shaped by civil defence preparedness and domestic resilience, these system conditions are not merely operational details; they form part of the wider strategic test [13].
- **Fourth, strategic value depends on local and regional legitimacy.** A development cannot credibly be presented as significant in the local, national, or European contexts if environmental confidence, accountability, and host region benefits remain unconvincing. This is especially relevant in Jämtland, where water pollution, health risks, landscape effects, and permitting confidence appear to be the dominant concerns shaping people's opinions.



SECTION 5

Conclusion

The Viken Energy Metals Project combines scale, resource diversity, and strategic relevance in a way few European mineral projects can. As a polymetallic platform spanning Vanadium, Sulphate of Potash, Uranium, Molybdenum, Nickel and Zinc, Viken extends well beyond a single mineral proposition, with the potential to advance economic security, energy security, industrial competitiveness, and agricultural resilience for Sweden and Europe. The results of the Viken EIS confirm its significant potential as a tangible national asset: approximately 355 direct jobs (about 1,065 including induced employment), \$1.58 billion in corporate income taxes in nominal terms, \$29.2 million in mineral fees over a 13-year life, and a total economic contribution of approximately \$7.66 billion on a present-value basis, alongside durable regional value for Jämtland. Measured against the revenue of the existing industry, Viken on its own would represent approximately 16% to 20% of the combined Swedish mining revenue base after Viken is added.

This value is not automatic, and strategic relevance is realized only if matched by technical and commercial credibility, regulatory progression, system readiness, and genuine regional legitimacy. Viken's case is closely linked to responsible development, and permitting discipline, environmental stewardship, transparent engagement, and long-term accountability under Swedish standards are conditions that must be met to make a reality.

Ultimately, Viken reflects a broader strategic choice. Sweden can remain exposed to increasingly concentrated global supply chains beyond its control, or it can strengthen domestic and European resilience through the responsible development of strategic raw materials. This choice now has explicit policy expression: the Government's July 2026 minerals strategy sets an objective of domestic production, approved environmental permits, or granted processing concessions for EU-designated strategic raw materials by 2030. Developed to Swedish standards and to the benefit of the Jämtland region, Viken offers a credible platform for this path, turning a generational resource endowment into energy, industrial, and agricultural security and lasting economic value for Sweden and its people.

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Appendices A - B

Appendix A

Basis of Preparation, Methodology, and Limitations

This appendix outlines the main methodological, interpretive, and reliance considerations that inform the Study. The following items describe the approach used, the key assumptions applied, and the limits on how the results should be interpreted.

- **Approach** - The EIS was prepared by BDO Canada LLP using an expenditure-based economic modelling approach to estimate the direct, indirect, and induced economic impacts associated with the construction and operation of the Phase 1 development scenario presented in the PEA. The analysis converts the PEA's production, expenditure, employment, and taxation profile into present-value economic contribution estimates using assumption-driven multipliers.
- **Key assumptions:**
 - The mine is large relative to the regional economy
 - The supply chain is largely domestic (viable due to Sweden's existing mining ecosystem)
 - Workers spend most of their income locally
 - Government revenue capture is reinvested into Sweden
 - Discount rate of 8%, consistent with the PEA
- **What the figures represent** - The total economic contribution is a modelled estimate of economic activity associated with the project. It is not a measure of Gross Domestic Product as nationally defined, not a cash flow to any party, and not a forecast of company earnings. Contribution figures are present values discounted at 8%. Certain tax and fee figures - including the corporate income taxes of approximately \$1.58 billion and the State Mineral Fee of \$29.2 million - are stated on a nominal life-of-mine basis and are not additive to the present-value figures.
- **Responsibility for inputs** - The economic and financial inputs underlying this Study - including the mineral resource estimate, production schedule, capital and operating cost estimates, commodity prices, tax assumptions, and the resulting project cash flows - were provided by and are the responsibility of District Metals Corp. management. BDO has not audited, reviewed, or otherwise verified those inputs and expresses no opinion or assurance on them.
- **Basis of the Study** - The Study is based on the Phase 1 development scenario set out in the Company's PEA. A PEA is preliminary in nature, includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as Mineral Reserves, and there is no certainty that the PEA will be realised. This Study is an economic impact analysis. It is not an audit, a review, a fairness opinion, a valuation, or a technical report under National Instrument 43-101 (Canadian Standards of Disclosure for Mineral Projects).
- **Currency** - All monetary figures in this Study are stated in United States dollars. Where figures are communicated in Swedish kronor in related materials, conversions are based on the Federal Reserve Statistical Release H.10 noon buying rate in New York of US\$1.00 = SEK 9.7013 on June 30, 2026.
- **Uncertainty and outcomes** - Results depend on the assumptions described above, which reflect source-informed judgement. Actual outcomes will differ from the modelled estimates, and the differences may be material.

Appendix B

Economic Contribution Bridge, Key Assumptions, and Geographic Allocation

This appendix sets out the bridge from the Preliminary Economic Assessment after-tax net present value to the estimate of total economic contribution presented in this Study, the principal assumptions applied in the economic model, and the illustrative geographic allocation of the modelled effects.

Unless otherwise stated, monetary amounts are presented in US\$ millions and represent present values discounted at 8%. Figures may not sum precisely due to rounding.

B.1 Economic Contribution Bridge

Table B1 sets out the modelled economic contribution by component, separated between direct effects and indirect and induced effects. It reproduces Table 3 in Section 1.5.

Table B1 - Modelled economic contribution by component (US\$ millions, present value at 8%)

Component	Direct effects	Indirect and induced effects	Total
Mine value	2,881.0	725.7	3,606.7
Household consumption	212.2	496.5	708.7
Capital investment	775.0	519.3	1,294.3
Government revenue and spending	1,016.6	847.6	1,864.2
Operating spend	187.9	-	187.9
Total economic contribution	5,072.8	2,589.1	7,661.9

Direct effects are first round project values to which no re-spending multiplier has been applied: the PEA after tax mine net present value, direct disposable employment income, domestic capital expenditure, direct government revenue, and the modelled domestic operating spend contribution. Indirect and induced effects comprise the clustering and operating efficiency adjustment to mine value, the income and associated income tax generated by induced employment, and the re-spending effects applied to household consumption, capital investment and government revenue. No re-spending multiplier is applied to operating spend.

Table B2 traces the movement from the PEA after-tax net present value to the total economic contribution reported in this Study.

Table B2 - Bridge from PEA after-tax net present value to total economic contribution (US\$ millions, present value at 8%)

Step	Amount	Cumulative
PEA after tax net present value	2,881.0	2,881.0
Clustering and operating efficiency adjustment	725.7	3,606.7
Direct disposable employment income	212.2	3,818.9
Domestic capital investment	775.0	4,594.0
Direct government revenue	1,016.6	5,610.6
Domestic operating spend contribution	187.9	5,798.5
Induced employment income	212.2	6,010.7
Income tax on induced employment	99.7	6,110.4
Re-spending multiplier effect	1,551.5	7,661.9
Total economic contribution		7,661.9

The adjusted mine value of US\$3,606.7 million is calculated as the US\$2,881.0 million PEA after-tax net present value multiplied by a 1.10 clustering factor and a 1.01¹³ cumulative operating efficiency factor. The resulting US\$725.7 million represents the modelled incremental value associated with clustering and operating efficiency and is not an adjustment to the PEA itself. The re-spending multiplier effect applies the incremental 0.67 element of the 1.67 times multiplier to household consumption, capital investment and government revenue only.

The US\$7,661.9 million total economic contribution is a modelled present value estimate of economic activity associated with the Phase 1 development scenario. It is not a revised PEA net present value, a valuation of District Metals Corp., a cash flow available to any party, or a measure of Gross Domestic Product as defined in national economic accounts.

B.2 Principal Model Assumptions and Sources

Table B3 sets out the principal assumptions applied in the economic model and the basis on which each was adopted.

Table B3 - Principal assumptions, model treatment and basis

Model area	Assumption or treatment	Basis
Project case	13-year production period, 8% discount rate and US\$2,881.0 million after tax net present value	PEA
Mine value adjustment	10% clustering uplift and 1% annual operating efficiency improvement compounded over 13 years	EIS model assumption, applied separately from the PEA
Employment	355 direct jobs, and two indirect or induced jobs for each direct job	Project staffing schedule; EIS model assumption
Induced employment income	Average induced wage equivalent to 50% of the average direct project wage	EIS model assumption informed by national wage relationships
Household consumption	Marginal propensity to consume of 0.40, producing a 1.67 times re-spending multiplier	European Central Bank, Economic Bulletin 4/2025, applied as directional evidence
Employment taxation	32% average effective tax rate applied to direct and induced employment income	Project tax assumption, consistent with the average combined municipal and regional rate reported by Statistics Sweden for 2026
Capital investment	US\$968.8 million capital expenditure present value, of which 80% is assumed to be sourced within Sweden	PEA capital profile; domestic procurement assumption informed by Swedish mining cluster research
Government revenue	US\$916.7 million corporate income tax present value and US\$199.6 million direct and induced employment income tax present value	PEA cash flow and project tax model
Government spending	1.67 times re-spending multiplier applied to government revenue	EIS model assumption
Operating expenditure	US\$5,932.4 million nominal life of mine operating expenditure, converted to present value using an even annual expenditure proxy	PEA

Model area	Assumption or treatment	Basis
Operating spend contribution	Direct payroll removed to prevent double counting, followed by an 8% contribution factor and a weighted domestic sourcing share of approximately 71%	PEA operating cost areas; 8% consistent with the PEA discount rate and with published sector cost of capital benchmarks; domestic share informed by Swedish mining cluster research
Operating spend multiplier	No re-spending multiplier applied	Conservative treatment reflecting the business to business and capital-intensive nature of the expenditure
Strategic premium	No strategic or supply security premium included in the reported base case	Conservative base case treatment

The 0.40 marginal propensity to consume is positioned toward the lower end of the range identified in European household consumption research and is applied as directional evidence rather than a Sweden specific estimate.

The domestic capital and operating expenditure assumptions represent expected Swedish participation based on the nature of the relevant cost categories. They are not contractual procurement commitments and will depend on final engineering, procurement strategy, supplier capacity and project execution.

B.3 Geographic Allocation

The geographic allocation is applied to the US\$4,055.2 million of household consumption, capital investment, operating spend and government effects. The adjusted mine value of US\$3,606.7 million is not allocated because the PEA does not establish the ultimate recipients of that value.

Table B4 - Illustrative geographic allocation of secondary and operating effects (US\$ millions, present value at 8%)

Benefit category	Total	Jämtland	Rest of Sweden	EU excluding Sweden
Household consumption	708.7	496.1 (70%)	177.2 (25%)	35.4 (5%)
Capital investment	1,294.3	194.1 (15%)	1,100.2 (85%)	-
Operating spend	187.9	56.4 (30%)	131.5 (70%)	-
Government revenue and spending	1,864.2	372.8 (20%)	1,491.4 (80%)	-

Benefit category	Total	Jämtland	Rest of Sweden	EU excluding Sweden
Total allocated effects	4,055.2	1,119.5 (27.6%)	2,900.2 (71.5%)	35.4 (0.9%)

Table B5 - Basis for the geographic allocation and primary sources

Benefit category	Basis for the allocation	Primary source used for direction
Household consumption	Weighted toward Jämtland because direct and induced workers and their households are expected to spend primarily within the Östersund functional labour market area, which includes the municipalities of Berg and Åre.	Tillväxtverket, Funktionella analysregioner 2025; PEA project location
Capital investment	Weighted toward the rest of Sweden because engineering, equipment supply, mining services and specialist contracting capacity is concentrated in Sweden's established industrial and mining centres.	Copenhagen Economics for Svemin, Economic Value of the Swedish Mining Cluster
Operating spend	Split to reflect accommodation, transport, maintenance and selected contractor services that may be sourced within Jämtland, against utilities, fuel, equipment, reagents and specialist services more likely to be sourced nationally.	PEA operating cost areas; Copenhagen Economics for Svemin, Economic Value of the Swedish Mining Cluster
Government revenue and spending	Weighted toward the national level because corporate income tax accrues to the State and public revenue is distributed through national expenditure and the municipal and regional equalisation system. A portion is retained in Jämtland to reflect municipal and regional income taxes and local public expenditure.	Statistics Sweden, Local taxes 2026; Statistics Sweden, economic equalisation for local government

Benefit category	Basis for the allocation	Primary source used for direction
Mine value	Not geographically allocated, as the location of ownership and the ultimate recipients of project value are not established in this Study.	Not applicable

The amount shown for the EU excluding Sweden relates only to modelled household consumption. No strategic or supply security value is allocated to the European Union in these figures.

These geographic percentages are illustrative modelling assumptions applied within an expenditure-based economic modelling approach and are not derived from a Viken-specific regional economic study. No source consulted provides a project-specific allocation between Jämtland, the rest of Sweden and the European Union. Actual outcomes will depend on worker residence, procurement strategy, supplier locations, applicable tax treatment, infrastructure requirements and the final development and operating model.