



**Condensed Consolidated Interim Financial Statements and
Management Discussion and Analysis
for the Three and Six Months Ended December 31, 2024**

DISTRICT METALS CORP.

Condensed Consolidated Interim Financial Statements
For the three and six months ended December 31, 2024 and 2023
(Expressed in Canadian Dollars - Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

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

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

As at	December 31, 2024	June 30, 2024
ASSETS		
Current assets		
Cash and cash equivalents (Note 3)	\$ 4,017,746	\$ 5,861,955
GST and VAT receivable	662,319	254,659
Receivable from Boliden (Note 7)	127,969	-
Prepaid expenses	44,126	171,998
Investment (Note 4)	50,000	145,000
	4,902,160	6,433,612
Advances and deposits (Note 5)	155,390	23,403
Exploration and evaluation assets (Note 5)	7,571,318	7,548,017
TOTAL ASSETS	\$ 12,628,868	\$ 14,005,032
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (Notes 6 and 13)	\$ 954,525	\$ 269,243
Advance from Boliden (Note 7)	-	948,214
TOTAL LIABILITIES	954,525	1,217,457
SHAREHOLDERS' EQUITY		
Share capital (Note 8)	73,427,834	73,347,633
Reserves (Note 9)	3,048,588	3,086,801
Accumulated deficit	(64,802,079)	(63,646,859)
TOTAL SHAREHOLDERS' EQUITY	11,674,343	12,787,575
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 12,628,868	\$ 14,005,032

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

These condensed consolidated interim financial statements were authorized for issue by the Board of Directors on February 27, 2025. They are signed on behalf of the Board of Directors by:

"Joanna Cameron"
Director

"Garrett Ainsworth"
CEO and Director

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

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

	Three months ended		Six months ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
EXPENSES				
General and administrative costs	\$ 113,532	\$ 35,953	\$ 218,214	\$ 53,415
Marketing and investor relations	125,834	27,710	233,898	46,137
Salaries and consulting fees (Note 13)	349,513	334,136	495,285	454,725
Professional fees	110,585	81,106	160,026	101,744
Property investigation costs	-	6,025	-	7,122
Stock-based compensation (Note 9)	-	34,581	-	34,581
Transfer agent, regulatory and listing fees	109,487	10,564	116,662	24,510
OPERATING EXPENSES	808,951	530,075	1,224,085	722,234
OTHER EXPENSES (INCOME)				
Foreign exchange gain (loss)	10,484	(121,897)	22,147	(122,600)
Write-down of exploration and evaluation assets (Note 5)	173	-	1,357	-
Fair value loss (gain) on investment (Note 4)	-	(60,000)	95,000	(60,000)
Interest and dividend income (Note 3)	(53,531)	(25,183)	(112,487)	(53,905)
Other income (Note 5)	(59,025)	(10,211)	(74,882)	(11,547)
NET LOSS AND COMPREHENSIVE LOSS	\$ 707,052	\$ 312,784	\$ 1,155,220	\$ 474,182
Basic and diluted loss per share	\$ 0.01	\$ 0.00	\$ 0.01	\$ 0.00
Weighted average number of common shares outstanding	130,538,165	106,980,707	130,435,189	106,980,707

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

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

	Six months ended	
	December 31, 2024	December 31, 2023
Cash flows provided by (used in):		
OPERATING ACTIVITIES		
Loss	\$ (1,155,220)	\$ (474,182)
Adjustments for items not affecting cash:		
Fair value loss (gain) on investment	95,000	(60,000)
Stock-based compensation	-	34,581
	(1,060,220)	(499,601)
Net changes in non-cash working capital items:		
GST and VAT receivable	(407,660)	19,461
Prepaid expenses and deposits	(6,466)	(12,135)
Accounts payable and accrued liabilities	526,093	213,090
Receivable from Boliden	(127,969)	-
Advance from Boliden	(777,936)	1,811,559
Net cash flows (used in) provided by operating activities	(1,854,158)	1,532,374
INVESTING ACTIVITIES		
Advances and deposits	-	(7,929)
Exploration and evaluation assets exploration expenditures	(32,039)	(64,549)
Net cash flows used in investing activities	(32,039)	(72,478)
FINANCING ACTIVITIES		
Proceeds from compensation options exercised	38,688	-
Proceeds from warrants exercised	5,000	-
Share issuance costs	(1,700)	-
Net cash flows provided by financing activities	41,988	-
Net (decrease) increase in cash and cash equivalents	(1,844,209)	1,459,896
Cash and cash equivalents, beginning of year	5,861,955	2,525,835
Cash and cash equivalents, end of period	\$ 4,017,746	\$ 3,985,731
Supplemental cash flow information	\$	\$
Exploration and evaluation assets included in accounts payable and accrued liabilities	8,610	65,071
Fair value of reallocation pursuant to stock option cancellation	-	101,734
Fair value of reallocation pursuant to warrant cancellation	-	144,000
Transfer of reserves on exercise of compensation options	38,213	-
Interest paid	-	-
Taxes paid	-	-

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

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

	Number of shares	Amount	Reserve	Accumulated deficit	Total
Balance, June 30, 2023	106,980,707	\$ 68,731,423	\$ 2,474,060	\$ (61,203,762)	\$ 10,001,721
Fair value reclassification pursuant to stock option expiry (Note 9)	-	-	(101,734)	101,734	-
Fair value reclassification pursuant to warrant expiry (Note 9)	-	-	(144,000)	144,000	-
Stock-based compensation	-	-	34,581	-	34,581
Net loss for the period	-	-	-	(474,182)	(474,182)
Balance, December 31, 2023	106,980,707	\$ 68,731,423	\$ 2,262,907	\$ (61,432,210)	\$ 9,562,120
Balance, June 30, 2024	130,315,625	\$ 73,347,633	\$ 3,086,801	\$ (63,646,859)	\$ 12,787,575
Shares issued pursuant to compensation option exercise (Note 9)	252,327	76,901	(38,213)	-	38,688
Shares issued pursuant to warrant exercise (Note 9)	25,000	5,000	-	-	5,000
Share issuance costs	-	(1,700)	-	-	(1,700)
Net loss for the period	-	-	-	(1,155,220)	(1,155,220)
Balance, December 31, 2024	130,592,962	\$ 73,427,834	\$ 3,048,588	\$ (64,802,079)	\$ 11,674,343

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

DISTRICT METALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

District Metals Corp. (the “Company” or “District Metals”) was incorporated under the provincial laws of the Province of Alberta on July 24, 1989 and continued in the Province of British Columbia on March 31, 2006. The Company’s registered office is located at 2200 – 885 West Georgia Street, Vancouver, BC, V6C 3E8. The Company is listed on the TSX Venture Exchange (the “Exchange”) and trades under the symbol “DMX”, on the Frankfurt Stock Exchange under the symbol “DFPP” and on the United States OTCQB under the symbol “DMXCF”. On January 23, 2025, the Company’s depository receipts began trading on Nasdaq First North Growth Market under the symbol “DMXSE SDB” (Note 14).

These condensed consolidated interim financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. The Company currently is not generating any revenues. It has incurred a loss during the three and six months ended December 31, 2024 of \$707,052 (2023 - \$312,784) and \$1,155,220 (2023 - \$474,182), respectively, had negative cash flows from operations since inception with an accumulated deficit of \$64,802,079 as at December 31, 2024 (June 30, 2024 - \$63,646,859). Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. These uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

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

2. BASIS OF PREPARATION

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

(a) Statement of compliance

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

(b) Basis of presentation

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

(c) Presentation and functional currency

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

DISTRICT METALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

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

Material accounting judgments

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

Going concern

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

Determination of functional currency

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

Impairment of long-lived assets

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

Key sources of estimation uncertainty

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

Valuation of stock-based compensation

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

3. CASH AND CASH EQUIVALENTS

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

	December 31, 2024		June 30, 2024	
Cash held in bank accounts	\$	431,541	\$	1,060,754
Cash equivalents		3,586,205		4,801,201
Total	\$	4,017,746	\$	5,861,955

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

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

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

4. INVESTMENT

The Company holds 1,000,000 common shares of Sherpa II Holdings Corp. ("Sherpa II") received in connection with the sale of an 80% interest in the Bakar Property by the Company to Sherpa II (Note 5). These shares are publicly traded on the Exchange and are held at FVTPL. As at December 31, 2024, the fair value of the shares was \$50,000 (June 30, 2024 - \$145,000). During the three and six months ended December 31, 2024, the Company recorded a fair value loss on investment of \$Nil and \$95,000 (2023 – \$60,000 and \$60,000) respectively, determined by reference to closing prices on the Exchange.

5. EXPLORATION AND EVALUATION ASSETS

	Tomtebo Property	Svärdsjö Property	Gruvberget Property	Bakar Property	Other Properties	Total
Acquisition Costs						
Balance, June 30, 2023	\$1,715,857	\$ 402,500	\$ 260,000	\$ 32,051	\$ -	\$ 2,410,408
Additions	100,499	8,334	42,450	-	550,749	702,032
Cost re-allocation	(95,151)	-	-	-	95,151	-
Impairment	-	(410,834)	-	-	-	(410,834)
Balance, June 30, 2024	\$1,721,205	\$ -	\$ 302,450	\$ 32,051	\$ 645,900	\$ 2,701,606
Additions	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Balance, December 31, 2024	\$1,721,205	\$ -	\$ 302,450	\$ 32,051	\$ 645,900	\$ 2,701,606
Deferred Exploration Costs						
Balance, June 30, 2023	\$ 4,200,888	\$ 50,844	\$ 597,537	\$ 95,147	\$ 5,593	\$ 4,950,009
Consulting	230,345	2,189	5,131	17,854	87,963	343,482
Geochemistry	5,577	-	-	-	6,363	11,940
Drilling	477,173	-	-	-	-	477,173
Other costs (recovery)	(50,265)	3,664	980	2,336	13,913	(29,372)
Cost recovery	(850,124)	(5,753)	-	-	-	(855,877)
Impairment	-	(50,944)	-	-	-	(50,944)
Balance, June 30, 2024	\$ 4,013,594	\$ -	\$ 603,648	\$ 115,337	\$ 113,832	\$ 4,846,411
Consulting	117,680	1,292	84	-	21,885	140,941
Geochemistry	22,316	-	-	-	394	22,710
Drilling	-	-	-	-	-	-
Other costs	18,078	65	-	-	938	19,081
Cost recovery	(158,074)	-	-	-	-	(158,074)
Impairment	-	(1,357)	-	-	-	(1,357)
Balance, December 31, 2024	\$ 4,013,594	\$ -	\$ 603,732	\$ 115,337	\$ 137,049	\$ 4,869,712
Balance, June 30, 2024	\$ 5,734,799	\$ -	\$ 906,098	\$ 147,388	\$ 759,732	\$ 7,548,017
Balance, December 31, 2024	\$ 5,734,799	\$ -	\$ 906,182	\$ 147,388	\$ 782,949	\$ 7,571,318

As at December 31, 2024, the Company held \$20,052 (June 30, 2024 - \$23,403) on deposit for reclamation deposits in Sweden for the Tomtebo and Gruvberget properties. As at December 31, 2024, the Company had paid deposits of \$134,338 (June 30, 2024 - \$Nil) for work to be performed on the Tomtebo and Stollberg properties in future periods.

a) Tomtebo Property

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

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

The Company completed all requirements to retain the Tomtebo property from Viad Royalties AB, a wholly owned subsidiary of EMX Royalty Corp. ("EMX") in fiscal 2021, except for certain payments due upon a

DISTRICT METALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

mineral resource estimate and/or preliminary economic assessment. EMX retains a 2.5% net smelter returns ("NSR") royalty.

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

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

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

The Company will act as operator during the Option stage and is entitled to a 7.5% fee on qualifying expenditures under the Earn-In Agreement. During the three and six months ended December 31, 2024, the Company earned an operator fee of \$59,025 (2023 - \$9,961) and \$74,882 (2023 - \$9,961).

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

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

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

b) Svärdsjö Property

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

During the three and six months ended December 31, 2024 further costs were incurred in relation to the property and accordingly the company recorded an additional impairment expense of \$173 and \$1,357, respectively.

c) Gruvberget Property

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

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

d) Bakar Property

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

Pursuant to the Bakar sale agreement with Sherpa II from December 18, 2020, the 2.0% NSR was carried over from the royalty agreement dated July 12, 2019 between the Company and Longford Capital Corp. on

DISTRICT METALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

one of the eight mineral claims that comprises the Bakar Property. The 2.0% NSR may be repurchased entirely for \$6,500,000 cash.

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

Effective January 1, 2023, the Company amended the joint venture agreement whereby District Metals will fund 100% of the next phase of exploration expenditures to a maximum of \$330,000 and contribute its related 10% exploration management fee of \$33,000 to earn back pro-rata ownership in the property up to 54% (the "Amended Agreement"). From the date of the Amended Agreement, District Metals has funded exploration expenditures of \$25,730 and earned management fee income of \$2,573. During the three and six months ended December 31, 2024, the Company earned management fee income of \$Nil (2023 - \$250 and \$1,586, respectively).

e) Other Properties

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

- Viken nr 101, 2 and 3, located in Jämtland County, central Sweden;
- Ardnasvarre nr 1 located in Norrbottens County, northern Sweden;
- Sågtjärn nr 101 and 102, in Jämtland and Västernorrland Counties in central Sweden; and
- Alum Shale Properties, including Tåsjö nr 101 to 105, located in the Jämtland and Västerbottens Counties, north-central Sweden.

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

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

On January 15, 2024, the Company completed the acquisition of the remaining four mineral licenses covering the Viken deposit located Jämtland County, central Sweden, namely the Norra Leden, Norr Viken, Lill Viken and Storviken mineral licenses, from an arm's length vendor (the "Vendor"). The principal terms of the definitive purchase agreement (the "Purchase Agreement") are as follows:

- \$50,000 cash paid to the Vendor on closing (paid).
- \$50,000 cash payable to the Vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted.
- 1,000,000 District Metals shares issued to the Vendor on closing (issued January 15, 2024 with a fair value of \$250,000).
- 3,500,000 District Metals shares to be issued to the Vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted. These District Metals shares will be subject to a voluntary lock-up pursuant to which 500,000 shares will be released four months after issuance, 500,000 shares will be released six months after issuance, 1,000,000 shares will be released twelve months after issuance, 1,000,000 shares will be released 18 months after issuance and 500,000 shares will be released twenty-four months after issuance.

A 2% NSR royalty granted to the Vendor on closing that can be bought back in its entirety at any time for a value of \$8,000,000 where the first 1% NSR royalty may be purchased for \$2,000,000. Subsequent to December 31, 2024, the Company acquired the 2% NSR Royalty in its entirety (Note 14).

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

	December 31, 2024		June 30, 2024	
Trade payables	\$	767,954	\$	199,018
Accrued liabilities		186,571		70,225

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

\$	954,525	\$	269,243
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7. RECEIVABLE (ADVANCE) FROM BOLIDEN

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

	December 31, 2024		June 30, 2024	
Balance, beginning	\$	948,214	\$	-
Funds received		39,095		1,998,726
Invoices issued to Boliden		(1,115,278)		(1,050,512)
Balance of (receivable) advance, ending	\$	(127,969)	\$	948,214

8. SHARE CAPITAL**(a) Authorized share capital**

Unlimited number of common shares without par value.

(b) Issued share capitalSix months ended December 31, 2024

During the six months ended December 31, 2024, 25,000 share purchase warrants were exercised at an exercise price of \$0.20 for gross proceeds of \$5,000.

During the six months ended December 31, 2024, 252,327 compensation options were exercised for aggregate gross proceeds of \$38,688.

Six months ended December 31, 2023

During the six months ended December 31, 2023, there were no common shares issued.

9. OPTIONS AND WARRANTS**(a) Options**

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of stock options. The terms of the granted options are fixed by the Board of Directors and are not to exceed ten years. The exercise price of options are determined by the Board of Directors and shall not be less than the closing price of the Company's common shares on the day preceding the day on which the options are granted, less any discount permitted by the Exchange. Options granted under the plan may vest immediately on grant, or over a period as determined by the Board of Directors or, in respect of options granted for investor relations services, as prescribed by Exchange policy.

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

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

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

At December 31, 2024, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding and exercisable	Exercise price	Weighted average remaining contractual life (in years)
June 2, 2025	1,795,000	\$ 0.21	0.42
October 7, 2025	300,000	\$ 0.33	0.77
December 30, 2025	1,350,000	\$ 0.46	1.00
January 18, 2026	50,000	\$ 0.45	1.05
April 13, 2026	200,000	\$ 0.40	1.28
October 7, 2026	2,130,000	\$ 0.25	1.77
March 6, 2028	2,300,000	\$ 0.20	3.18
December 5, 2028	250,000	\$ 0.175	3.93
January 5, 2029	150,000	\$ 0.21	4.02
February 1, 2029	3,100,000	\$ 0.28	4.09
February 13, 2029	300,000	\$ 0.30	4.12
May 9, 2029	50,000	\$ 0.42	4.36
	11,975,000	\$ 0.27	2.46

(b) Warrants

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

	December 31, 2024		June 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of year	19,842,500	\$ 0.25	13,600,000	\$ 0.24
Issued	-	-	10,250,000	0.30
Exercised	(25,000)	0.20	(407,500)	0.20
Expired	-	-	(3,600,000)	0.35
Outstanding, end of year	19,817,500	\$ 0.25	19,842,500	\$ 0.25

At December 31, 2024, the Company had outstanding warrants exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding and exercisable	Exercise price	Weighted average remaining contractual life (in years)
March 2, 2026	9,567,500	\$ 0.20	1.17
February 1, 2027	10,250,000	\$ 0.30	2.09
	19,817,500	\$ 0.25	1.64

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

(c) Compensation options

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

	December 31, 2024		June 30, 2024	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
Outstanding, beginning of year	1,867,582	\$ 0.20	1,558,320	\$ 0.25⁽²⁾/0.15⁽¹⁾
Granted	-	-	1,230,000	0.22 ⁽³⁾
Exercised	(252,327)	0.15	(562,418)	0.15
Expired	-	-	(358,320)	0.25
Outstanding, end of year	1,615,255	\$ 0.20	1,867,582	\$ 0.20

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

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

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

At December 31, 2024, the Company had outstanding compensation options exercisable to acquire common shares of the Company as follows:

Expiry date	Compensation options outstanding and exercisable	Exercise price	Weighted average remaining contractual life (in years)
March 2, 2026	409,239	\$ 0.15	1.17
February 1, 2027	1,206,016	\$ 0.22	2.09
	1,615,255	\$ 0.20	1.85

10. MANAGEMENT OF CAPITAL

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

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

The Company is not subject to any externally imposed capital requirements, apart from those pursuant to the Earn-In Agreement (Note 5). The Company did not change its capital management approach during the six months ended December 31, 2024.

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

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

11. FINANCIAL INSTRUMENTS**a) Categories of financial instruments and fair value measurements**

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

	December 31, 2024	June 30, 2024
Financial assets:		
<i>Amortized cost</i>		
Cash and cash equivalents	\$ 4,017,746	\$ 5,861,955
<i>Fair value through profit and loss</i>		
Investment	50,000	145,000
Financial liabilities:		
<i>Other financial liabilities</i>		
Accounts payable and accrued liabilities	\$ 954,525	\$ 269,243
Advance from Boliden	-	948,214

Accounts payable and accrued liabilities as at December 31, 2024 includes amounts due to related parties (Note 13).

b) Fair value information

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

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

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

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

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

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

c) Management of financial risks

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

Credit risk

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

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

Liquidity risk

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

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

At December 31, 2024, the Company had cash and cash equivalents of \$4,017,746 (June 30, 2024 - \$5,861,955), of which \$Nil (June 30, 2024 - \$948,214) were advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB (Note 5) and are therefore not available for general use, and accounts payable and accrued liabilities of \$954,525 (June 30, 2024 - \$269,243) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at December 31, 2024. The Company assessed its liquidity risk as low as at December 31, 2024 and June 30, 2024.

Interest rate risk

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

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

Foreign currency risk

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

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

December 31, 2024			
	CHF	Euros	SEK
Cash and cash equivalents	-	2,101	1,850,202
GST and VAT receivable	-	-	3,964,330
Prepaid expenses	-	-	1,183,976
Receivable from Boliden	-	-	981,354
Accounts payable and accrued liabilities	(13,073)	-	(5,936,532)
Net	(13,073)	2,101	2,043,330
Canadian dollar equivalent	\$ (20,775)	\$ 3,137	\$ 266,450

June 30, 2024			
	CHF	Euros	SEK
Cash and cash equivalents	-	2,119	6,688,329
GST and VAT receivable	-	-	1,850,640
Prepaid expenses	-	-	189,276
Accounts payable and accrued liabilities	-	(10,119)	(177,311)
Advance payment from Boliden	-	-	(7,440,034)
Net	-	(8,080)	1,110,900
Canadian dollar equivalent	\$ -	\$ (11,844)	\$ 143,417

Based on the above net exposures, a 10% change in the Canadian dollar/CHF, Canadian dollar/Euro and Canadian dollar/SEK exchange rate would impact the Company's net loss by approximately \$2,077, \$314 and \$26,645 (June 30, 2024 - \$Nil, \$1,184 and \$14,342), respectively. As at December 31, 2024 and June 30, 2024 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at December 31, 2024 and June 30, 2024.

DISTRICT METALS CORP.**Notes to the Condensed Consolidated Interim Financial Statements****For the Three and Six Months Ended December 31, 2024 and 2023**

(Expressed in Canadian Dollars - Unaudited)

12. SEGMENTED INFORMATION

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

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

As at December 31, 2024	Sweden	Canada	Total
Advances and deposits	154,390	1,000	155,390
Exploration and evaluation assets	7,423,930	147,388	7,571,318
	\$ 7,578,320	\$ 148,388	\$ 7,726,708

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

13. RELATED PARTY TRANSACTIONS

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

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

- (a) Key management compensation for the three and six months ended December 31, 2024 and 2023 were as follows:

	Three Months Ended		Six Months Ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Salary	\$ 191,250	\$ 191,250	\$ 255,000	\$ 255,000
Consulting fees	141,000	110,200	198,960	159,400
Total	\$ 332,250	\$ 301,450	\$ 453,960	\$ 414,400

- (b) On June 1, 2020, the Company entered into an employment agreement with the Company's Chief Executive Officer ("CEO") effective June 1, 2020, pursuant to which, if the Company experiences a change of control the CEO is entitled to 24 months of salary. Pursuant to the employment agreement, the Company incurred a total salary of \$191,250 and \$255,000 to the CEO during the three and six months ended December 31, 2024 (2023 - \$191,250 and \$255,000), respectively. The Company had \$Nil due to the CEO in relation to reimbursable expenses at December 31, 2024 (June 30, 2024 - \$12,533).
- (c) During the three and six months ended December 31, 2024, the Company paid consulting fees of \$67,500 and \$90,000, (2023 - \$40,000 and \$55,000), respectively, for services provided by the CFO.
- (d) During the three and six months ended December 31, 2024 and 2023, the Company did not incur stock-based compensation expense related to stock options granted to the officers and directors of the company.
- (e) During the three and six months ended December 31, 2024, the Company paid director's fees of \$45,000 and \$54,000, (2023 - \$45,000 and \$54,000) respectively, recorded in consulting fees, to directors of the Company.
- (f) During the three and six months ended December 31, 2024 the Company paid consulting fees of \$28,500 and \$54,960, (2023 - \$25,200 and \$50,400) respectively, to a company controlled by a close family member of the CFO for administrative, accounting and corporate services. The Company had \$11 due to the company controlled by a close family member of the CFO in relation to reimbursable expenses at December 31, 2024 (June 30, 2024 - \$Nil).

DISTRICT METALS CORP.

Notes to the Condensed Consolidated Interim Financial Statements

For the Three and Six Months Ended December 31, 2024 and 2023

(Expressed in Canadian Dollars - Unaudited)

14. SUBSEQUENT EVENTS

On January 23, 2025, the Company's depositary receipts (the "SDRs") began trading on Nasdaq First North Growth Market at market open (Sweden local time), under the symbol "DMXSE SDB". Swedish depositary receipts are financial instruments issued by a Swedish bank representing shares in a non-Swedish company. The exchange ratio on the SDRs to common shares of the Company is 1 for 1. The Company's common shares continue to be traded on the TSX Venture Exchange under the symbol "DMX".

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



Management Discussion and Analysis For the Three and Six Months Ended December 31, 2024

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

This MD&A contains forward-looking information. In particular, statements regarding the adequacy of cash resources to carry out the Company's exploration programs, plans for additional exploration and the possibility that the moratorium on uranium mining in Sweden may be rescinded are forward-looking information. All forward-looking information, including those not specifically identified herein, are made subject to cautionary language on page 10. Readers are advised to refer to the cautionary language when reading any forward-looking information.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of February 27, 2025.

BUSINESS OVERVIEW

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

The Company is a junior mineral exploration stage company in the business of acquiring, exploring, and evaluating natural resource properties, and either developing these properties further or disposing of them when the evaluation is complete. As at the date of this MD&A, the Company's primary properties are the Tomtebo property and the Gruvberget property, both located in the Bergslagen Mining District of south-central Sweden, an interest in the Bakar property located on North Vancouver Island in British Columbia, Canada, and its Additional Properties (as defined below) located in Sweden,

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

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

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

	Tomtebo Property	Svärdsjö Property	Gruvberget Property	Bakar Property	Other Properties	Total
Acquisition Costs						
Balance, June 30, 2023	\$1,715,857	\$ 402,500	\$ 260,000	\$ 32,051	\$ -	\$ 2,410,408
Additions	100,499	8,334	42,450	-	550,749	702,032
Cost re-allocation	(95,151)	-	-	-	95,151	-
Impairment	-	(410,834)	-	-	-	(410,834)
Balance, June 30, 2024	\$1,721,205	\$ -	\$ 302,450	\$ 32,051	\$ 645,900	\$ 2,701,606
Additions	-	-	-	-	-	-
Impairment	-	-	-	-	-	-
Balance, December 31, 2024	\$1,721,205	\$ -	\$ 302,450	\$ 32,051	\$ 645,900	\$ 2,701,606
Deferred Exploration Costs						
Balance, June 30, 2023	\$ 4,200,888	\$ 50,844	\$ 597,537	\$ 95,147	\$ 5,593	\$ 4,950,009
Consulting	230,345	2,189	5,131	17,854	87,963	343,482
Geochemistry	5,577	-	-	-	6,363	11,940
Drilling	477,173	-	-	-	-	477,173
Other costs (recovery)	(50,265)	3,664	980	2,336	13,913	(29,372)
Cost recovery	(850,124)	(5,753)	-	-	-	(855,877)
Impairment	-	(50,944)	-	-	-	(50,944)
Balance, June 30, 2024	\$ 4,013,594	\$ -	\$ 603,648	\$ 115,337	\$ 113,832	\$ 4,846,411
Consulting	117,680	1,292	84	-	21,885	140,941
Geochemistry	22,316	-	-	-	394	22,710
Drilling	-	-	-	-	-	-
Other costs	18,078	65	-	-	938	19,081
Cost recovery	(158,074)	-	-	-	-	(158,074)
Impairment	-	(1,357)	-	-	-	(1,357)
Balance, December 31, 2024	\$ 4,013,594	\$ -	\$ 603,732	\$ 115,337	\$ 137,049	\$ 4,869,712
Balance, June 30, 2024	\$ 5,734,799	\$ -	\$ 906,098	\$ 147,388	\$ 759,732	\$ 7,548,017
Balance, December 31, 2024	\$ 5,734,799	\$ -	\$ 906,182	\$ 147,388	\$ 782,949	\$ 7,571,318

Tomtebo Property, Sweden

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

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

Pursuant to the Earn-In Agreement the Company was appointed as operator during the Option stage and as consideration is entitled to a 7.5% fee on qualifying expenditures (as defined in the Earn-In Agreement). During the three and six months ended December 31, 2024, the Company earned an operator fee of \$59,025 (2023 - \$9,961) and \$74,882 (2023 - \$9,961).

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

Svärdsjö Property, Sweden

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

During the year ended June 30, 2024, the Company determined that it would not continue any exploration activities on the Svärdsjö Property and would return the property to EMX Royalty Corp. Accordingly, the Company recorded an impairment expense of \$461,778 related to the property. During the three and six months ended December 31, 2024 further costs were

incurred in relation to the property and accordingly the company recorded an additional impairment expense of \$173 and \$1,357, respectively.

Gruvberget Property, Sweden

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

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

Bakar Property, British Columbia

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

During the three and six months ended December 31, 2024, the Company earned management fee income of \$Nil (2023 - \$250 and \$1,586, respectively).

Other Properties

Bergslagen Metals AB, a wholly-owned subsidiary of District incorporated under the laws of Sweden, received approval on certain mineral licenses from the Bergsstaten (Mining Inspectorate) (collectively, the “Additional Properties”), including:

- Viken nr 101, 2 and 3, located in Jämtland County, central Sweden and comprises 37,211 ha;
- Ardnasvarre nr 1 over a 9,708 ha area located in Norrbotten County, northern Sweden;
- Sågtjärn nr 101 and 102, covering 4,068 ha in Jämtland and Västernorrland Counties in central Sweden;
- Nianfors nr 1 and 2 mineral licenses, covering 2,603 ha located in the Gävleborg County in central Sweden.
- Alum Shale Properties, including Tåsjö nr 101 to 108, Malgomaj 1001 to 1003 and Österkälen nr 101, located in the Jämtland and Västerbottens Counties, north-central Sweden, covering an area of 79,251 ha.

On January 15, 2024, the Company acquired the four mineral licenses covering the Viken deposit pursuant to the Viken Extension Agreement. A summary of the principal terms of the acquisition are as follows:

- \$50,000 cash paid to the vendor on closing (paid).
- \$50,000 cash payable to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted.
- 1,000,000 District Metals shares issued to the vendor on closing (issued January 15, 2024 with a fair value of \$250,000).
- 3,500,000 District Metals shares to be issued to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted. These District Metals shares will be subject to a voluntary lock-up pursuant to which 500,000 shares will be released four months after issuance, 500,000 shares will be released six months after issuance, 1,000,000 shares will be released twelve months after issuance, 1,000,000 shares will be released 18 months after issuance and 500,000 shares will be released twenty-four months after issuance.
- A 2% NSR royalty granted to the vendor on closing that can be repurchased (i) in its entirety at any time for a value of \$8,000,000 or (ii) in respect of the first 1% for \$2,000,000. On January 31, 2025, the Company closed its acquisition of the 2% NSR Royalty over the remaining four mineral covering the Viken deposit licences (Norra Leden, Norr Viken, Lill Viken and Storviken) for a purchase price consisting of 500,000 common shares of the Company (the “Viken NSR Consideration Shares”) to the Vendor. As a result, the Company’s 100% Viken deposit is free of any NSR Royalty. The Viken NSR Consideration Shares are subject to a hold period of 4 months and one day, expiring June 1, 2025.

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

FINANCIAL REVIEW

For a discussion of the factors affecting the Company’s losses see “Summary of quarterly results” and “Results of operations” below.

Results of operations for the three months ended December 31, 2024

The Company incurred a net loss and comprehensive loss of \$707,052 during the three months ended December 31, 2024, an increase in loss of \$394,268, as compared to the net loss and comprehensive loss of \$312,784 for the three months ended December 31, 2023. The increase in net loss and total comprehensive loss was primarily driven by:

- Increases in transfer agent, regulatory and filing fees, general and administrative costs and professional fees as a result of costs incurred in preparation for the company listing on the Swedish stock exchange;
- An unrealized loss recognized on investment in marketable securities of \$Nil in the current quarter compared to an unrealized gain of \$60,000 in the comparative quarter due to changes in the quoted price for this investment in the current period compared to the prior period;
- An increase in marketing and investor-related expenditures of \$98,124 when compared to the comparative quarter. This is a result of increased advertising in the current quarter consistent with an increase in corporate activity.

The increases in loss and comprehensive loss were partially offset by increases in interest income and management fee income, consistent with the timing of investments and entering into the Earn-In Agreement at the end of October 2023.

Results of operations for the six months ended December 31, 2024

The Company incurred a net loss and comprehensive loss of \$1,155,220 during the six months ended December 31, 2024, an increase in loss of \$681,038, as compared to the net loss and comprehensive loss of \$474,182 for the six months ended December 31, 2023. The increase in net loss and total comprehensive loss was primarily driven by:

- Increases in transfer agent, regulatory and filing fees, general and administrative costs and professional fees as a result of costs incurred in preparation for the Company's listing on the Swedish stock exchange;
- An unrealized loss recognized on investment in marketable securities of \$95,000 in the current period compared to an unrealized gain of \$60,000 in the comparative period due to changes in the quoted price for this investment in the current period compared to the prior period;
- An increase in general and administrative costs in the current period compared to the comparative period, as a result of increased travel activity and related expenses including a tour of the Company's Viken property;
- An increase in marketing and investor-related expenditures of \$187,761 when compared to the comparative period. This is a result of increased advertising in the current period consistent with an increase in corporate activity.

The increases in loss and comprehensive loss were partially offset by increases in interest income and management fee income of \$58,582 and \$63,335, respectively, consistent with the timing of investments and entering into the Earn-In Agreement at the end of October 2023.

Summary of quarterly results

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

Quarter ended	Revenue	Loss before other income and expenses	Loss and comprehensive loss	Basic and diluted income (loss) per common share
Q2/25 December 31, 2024	\$ -	\$ (808,951)	\$ (707,052)	\$ (0.01)
Q1/25 September 30, 2024	\$ -	\$ (522,981)	\$ (448,168)	\$ (0.00)
Q4/24 June 30, 2024	\$ -	\$ (464,051)	\$ (1,056,211)	\$ (0.01)
Q3/24 March 31, 2024	\$ -	\$ (1,195,995)	\$ (1,159,361)	\$ (0.01)
Q2/24 December 31, 2023	\$ -	\$ (530,075)	\$ (312,784)	\$ (0.00)
Q1/24 September 30, 2023	\$ -	\$ (191,456)	\$ (161,398)	\$ (0.00)
Q4/23 June 30, 2023	\$ -	\$ (250,502)	\$ (199,836)	\$ (0.00)
Q3/23 March 31, 2023	\$ -	\$ (665,933)	\$ (665,545)	\$ (0.01)

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

- The Company's Q2 2025 loss was influenced by annual incentive payments of \$208,500 recognized during the quarter. When normalized for this amount, the loss was \$498,552.
- An unrealized loss on investment in marketable securities of \$95,000 contributed to the loss in Q1 2025.
- The Company's Q4 2024 loss was influenced by a write-down of exploration and evaluation assets related to the Company's Svärdsjö property. After normalizing for the write-down, loss was \$594,433.
- The Company's Q3 2024 loss was influenced by stock-based compensation expense of \$807,028. When normalized for this amount, loss was \$352,333.

- The Company's Q2 2024 loss was influenced by consulting expense of \$334,136, and professional fees of \$81,106, offset by unrealized gain on investments of \$60,000 and interest and dividend income of \$25,183.
- The Company's Q3 2023 loss was influenced by stock-based compensation expense of \$389,481. When normalized for this amount, the loss was \$276,064.

LIQUIDITY AND CAPITAL RESOURCES

The Company's condensed consolidated interim financial statements for the six months ended December 31, 2024 have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business.

At December 31, 2024, the Company had cash and cash equivalents of \$4,017,746 (June 30, 2024 - \$5,861,955) and its current assets exceeded its current liabilities by \$3,947,635 (June 30, 2024 - \$5,216,155). The Company currently does not generate revenue from operations. It has incurred losses and negative cash flows from operations since inception and had an accumulated deficit of \$64,802,079 as at December 31, 2024 (June 30, 2024 - \$63,646,859). Pursuant to the Earn-In Agreement, the Company earns a 7.5% operator fee on qualifying expenditures.

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

During the six months ended December 31, 2024, 25,000 share purchase warrants were exercised at an exercise price of \$0.20 for gross proceeds of \$5,000.

During the six months ended December 31, 2024, 252,327 compensation options were exercised at an exercise price of \$0.15 for aggregate gross proceeds of \$38,688.

The Company is conserving cash pending visibility on the status of lifting the uranium mining and exploration moratorium in Sweden and, accordingly, management believes that the Company's cash balances, including the net proceeds from the February 2024 Financing, its earnings under the Earn-In Agreement, and proceeds from the exercise of stock options, share purchase warrants and compensation options are sufficient to complete its planned exploration activities and fund its administrative expenses for the ensuing 12-month period.

Cash flows

Cash used in operating activities for the six months ended December 31, 2024, was \$1,854,158 compared to \$1,532,374 cash provided by operating activities for the six months ended December 31, 2023. The increase in cash provided was primarily the result of the funds received from Boliden in the prior period.

During the six months ended December 31, 2024, the Company's investment of \$32,039 in exploration and evaluation assets was largely consistent with the \$72,478 spent during the six months ended December 31, 2023.

During the six months ended December 31, 2024 and 2023, the Company raised \$41,988 and \$Nil, respectively, from the exercise of warrants and compensation options, net of share issuance costs.

TRANSACTIONS WITH RELATED PARTIES

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

	<u>Three Months Ended</u>		<u>Six Months Ended</u>	
	<u>December 31, 2024</u>	<u>December 31, 2023</u>	<u>December 31, 2024</u>	<u>December 31, 2023</u>
Salary	\$ 191,250	\$ 191,250	\$ 255,000	\$ 255,000
Consulting fees	141,000	110,200	198,960	159,400
Total	\$ 332,250	\$ 301,450	\$ 453,960	\$ 414,400

On June 1, 2020, the Company entered into an employment agreement with the Company's Chief Executive Officer ("CEO") effective June 1, 2020, pursuant to which, if the Company experiences a change of control the CEO is entitled to 24 months of salary. Pursuant to the employment agreement, the Company incurred a total salary of \$191,250 and \$255,000 to the CEO during the three and six months ended December 31, 2024 (2023 – \$191,250 and \$255,000), respectively. The Company had \$Nil due to the CEO in relation to reimbursable expenses at December 31, 2024 (June 30, 2024 - \$12,533).

During the three and six months ended December 31, 2024, the Company paid consulting fees of \$67,500 and \$90,000, (2023 - \$40,000 and \$55,000), respectively, for services provided by the CFO.

During the three and six months ended December 31, 2024 and 2023, the Company did not incur stock-based compensation expense related to stock options granted to the officers and directors of the company.

During the three and six months ended December 31, 2024, the Company paid director's fees of \$45,000 and \$54,000, (2023 - \$45,000 and \$54,000) respectively, recorded in consulting fees, to directors of the Company.

During the three and six months ended December 31, 2024 the Company paid consulting fees of \$28,500 and \$54,960, (2023 - \$25,200 and \$50,400) respectively, to a company controlled by a close family member of the CFO for administrative, accounting and corporate services. The Company had \$11 due to the company controlled by a close family member of the CFO in relation to reimbursable expenses at December 31, 2024 (June 30, 2024 - \$Nil).

PROPOSED TRANSACTIONS

None.

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

The critical judgements and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements for the six months ended December 31, 2024 as follows:

Material accounting judgments

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

Going concern

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

Determination of functional currency

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

Impairment of long-lived assets

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

Key sources of estimation uncertainty

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

Valuation of stock-based compensation and compensation options

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

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

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

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

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

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

IFRS 18 – Presentation and Disclosure in Financial Statements

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

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

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the six months ended December 31, 2024.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

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

	December 31, 2024	June 30, 2024
Financial assets:		
<i>Amortized cost</i>		
Cash and cash equivalents	\$ 4,017,746	\$ 5,861,955
<i>Fair value through profit and loss</i>		
Investment	50,000	145,000
Financial liabilities:		
<i>Other financial liabilities</i>		
Accounts payable and accrued liabilities	\$ 954,525	\$ 269,243
Advance from Boliden	-	948,214

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

Fair value information

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

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

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

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

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

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

Financial instrument risk exposure

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

Credit risk

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

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

Liquidity risk

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

At December 31, 2024, the Company had cash and cash equivalents of \$4,017,746 (June 30, 2024 - \$5,861,955) of which \$Nil (June 30, 2024- \$948,214) were advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB and are therefore not available for general use, and accounts payable and accrued liabilities of \$954,525 (June 30, 2024 - \$269,243) with contractual maturities of less than one year. The Company had sufficient cash to meet its current liabilities as at December 31, 2024. The Company assessed its liquidity risk as low as at December 31, 2024 and June 30, 2024.

Interest rate risk

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

Foreign currency risk

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

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

December 31, 2024			
	CHF	Euros	SEK
Cash and cash equivalents	-	2,101	1,850,202
GST and VAT receivable	-	-	3,964,330
Prepaid expenses	-	-	1,183,976
Receivable from Boliden	-	-	981,354
Accounts payable and accrued liabilities	(13,073)	-	(5,936,532)
Net	(13,073)	2,101	2,043,330
Canadian dollar equivalent	\$ (20,775)	\$ 3,137	\$ 266,450

June 30, 2024			
	CHF	Euros	SEK
Cash and cash equivalents	-	2,119	6,688,329
GST and VAT receivable	-	-	1,850,640
Prepaid expenses	-	-	189,276
Accounts payable and accrued liabilities	-	(10,119)	(177,311)
Advance payment from Boliden	-	-	(7,440,034)
Net	-	(8,080)	1,110,900
Canadian dollar equivalent	\$ -	\$ (11,844)	\$ 143,417

Based on the above net exposures, a 10% change in the Canadian dollar/CHF, Canadian dollar/Euro and Canadian dollar/SEK exchange rate would impact the Company's net loss by approximately \$2,077, \$314 and \$26,645 (June 30, 2024 - \$Nil, \$1,184 and \$14,342), respectively. As at December 31, 2024 and June 30, 2024 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at December 31, 2024 and June 30, 2024.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company had 131,092,952 common shares issued and outstanding (June 30, 2024 – 130,315,625), 11,975,000 stock options outstanding, 1,615,255 compensation options outstanding, and 19,817,500 warrants outstanding.

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

RISKS AND UNCERTAINTIES

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

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

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

For the reasons set forth above, investors should not place undue reliance on forward-looking statements. It is the Company’s policy that all forward-looking statements are based on the Company’s beliefs and assumptions which are based on information available at the time these assumptions are made. The forward-looking statements contained herein are based on information available as at February 27, 2025 and are subject to change after this date. The Company assumes no obligation and has no policy for updating or revising forward-looking information or statements to reflect new events or circumstances, except as may be required under applicable securities laws.