District Intersects Strong Visual Sulphide Mineralization at the Tomtebo Property

Vancouver, B.C. **June 8, 2022**

June 8, 2022 – District Metals Corp. (TSX-V: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to provide an update on core drilling at its high grade polymetallic Tomtebo Property located in the Bergslagen Mining District of south-central Sweden.

District commenced drilling the Tomtebo Property in mid-April where 750 m in two holes (TOM22-037B and -038) have been completed. Drill core samples from these two holes have recently been sent to ALS Geochemistry in Malå, Sweden for assay preparation and then to ALS Geochemistry in Loughrea, Ireland for analysis. Assay results are expected by late-July or early-August.

Highlights

- **Footwall polymetallic mineralization encountered at Steffenburgs zone: Hole TOM22-038 intersected intermittent disseminated, stringer, and impregnated with lesser semi-massive to massive mineralization over approximately 61.5 m (210.0 to 271.5 m)**. The significance of this footwall mineralization will be determined by geochemical assay results and with continued step out drilling at depth (Figures 1 and 2).

- **Polymetallic sulphide lens extended 40 m below hole TOM21-025 at the Steffenburgs zone: Hole TOM22-038 intersected massive sulphide mineralization over approximately 2.7 m (271.5 to 274.2 m)**. This was an approximate 40 m step out below hole **TOM21-025 which returned 14.3 m at 14.2% ZnEq[1]** from 210.0 to 224.3 m (Figures 1 and 2).

- **Drill rig has been moved to the Gruvberget Property:** drilling at the Tomtebo Property has been paused until whole rock geochemistry and borehole electromagnetic (BHEM) survey results are utilized to better target the mineralization beneath hole TOM22-038.

Rodney Allen, Technical Advisor for District, commented: "Hole TOM22-038 at Tomtebo successfully intersected the Steffenburgs massive sulphide lens down-plunge below the previous good intersections in holes 25 and 28. Hole TOM22-038 also provides important geological information that extends our interpretation of the structure and pattern of mineralization in the Steffenburgs area. The thick mineralized interval from 210-271.5 m is interpreted to represent an

intensely altered and sulphide-veined part of the footwall stringer (feeder) zone to the massive sulphide lens that occurs further down-hole. In some VMS deposits, parts of the footwall stringer-vein zone have high metal grades and can be mined along with the overlying massive sulphide lenses. There is potential for this favourable situation at Tomtebo. The intersection in TOM22-038 suggests that the mineralization defined previously as the "A-lens" at Steffenburgs is part of this irregular zone of intense stringer sulphide veins and semi-massive sulphide impregnation that underlies the main massive sulphide lens ("B-lens") that formed at the sea floor 1.9 billion years ago.

The base of the sea-floor massive sulphide lens was intersected at about 271.5 m in TOM22-038. There is only 2-3 m of the massive sulphide lens in this hole. However, the down-hole contact is a distinct fault marked by intense foliation, a mafic dyke and pyrrhotite veins. This means that the middle to upper part of the original VMS lens has been faulted off. Furthermore, the 2-3 m of massive sulphide that remains, contains relics of the volcanic host rocks, which indicates that the part of the massive sulphide lens preserved is only the very basal part where the mineralization has intensely replaced the volcanic rocks directly below the sea floor. The major part of the massive sulphide body above this basal zone is not present in this drill hole. Importantly, these geological relationships indicate that originally at this location the massive sulphide lens was significantly thicker and the relatively thin intersection is caused by truncation by a fault. We have intersected this same fault in several other drill holes and will now be able to improve our interpretation of the 3D geometry of the fault so that we can better target the extension of the massive sulphide lens. At present we are uncertain in which direction the fault has displaced the massive sulphide body. However, we can be certain that the fault has not removed part of the massive sulphide body; it has displaced it some 10s to 100s m and to find this displaced part of the body will be one new target for future drilling."

Garrett Ainsworth, CEO of District, commented: "Hole TOM22-38 has intersected varying strengths of visual sulphide mineralization over approximately 64.2 m (210.0 to 274.2 m) that includes 5.0 m of barren rock (242.8 to 247.8 m). The upper portion of this mineralization is a thick sequence of dominantly footwall vein and impregnation sulphides, and the lower portion comprises the stronger massive sulphide lens at the Steffenburgs zone. We are very pleased to have extended the high grade mineralization from hole TOM21-025 by approximately 40 m down dip, which also remains open at depth.

Hole TOM21-037B was drilled as an aggressive 665 m step out northeast from the historic Tomtebo Mine at a virgin regional target to test a magnetic high anomaly along the Tomtebo Mine Volcanogenic Massive Sulphide (VMS) mineralized horizon. Strong skarn alteration without any polymetallic sulphides was observed, and the magnetic high anomalies are likely explained by magnetite stringers within the skarn alteration and several mafic dykes that contain magnetite. Whole rock geochemistry will confirm that we tested the Tomtebo Mine VMS horizon and provide vectors for possible follow up drill holes.

Lastly, we have moved the drill rig from our Tomtebo Property to our Gruvberget Property where drilling has recently begun. This move was earlier than originally planned due to time and budget constraints, however, this will allow us to carry out whole rock geochemistry and BHEM survey to better guide us beneath the polymetallic sulphide lenses at the Steffenburgs zone."

Figure 1: Plan Map of Drilling at Tomtebo

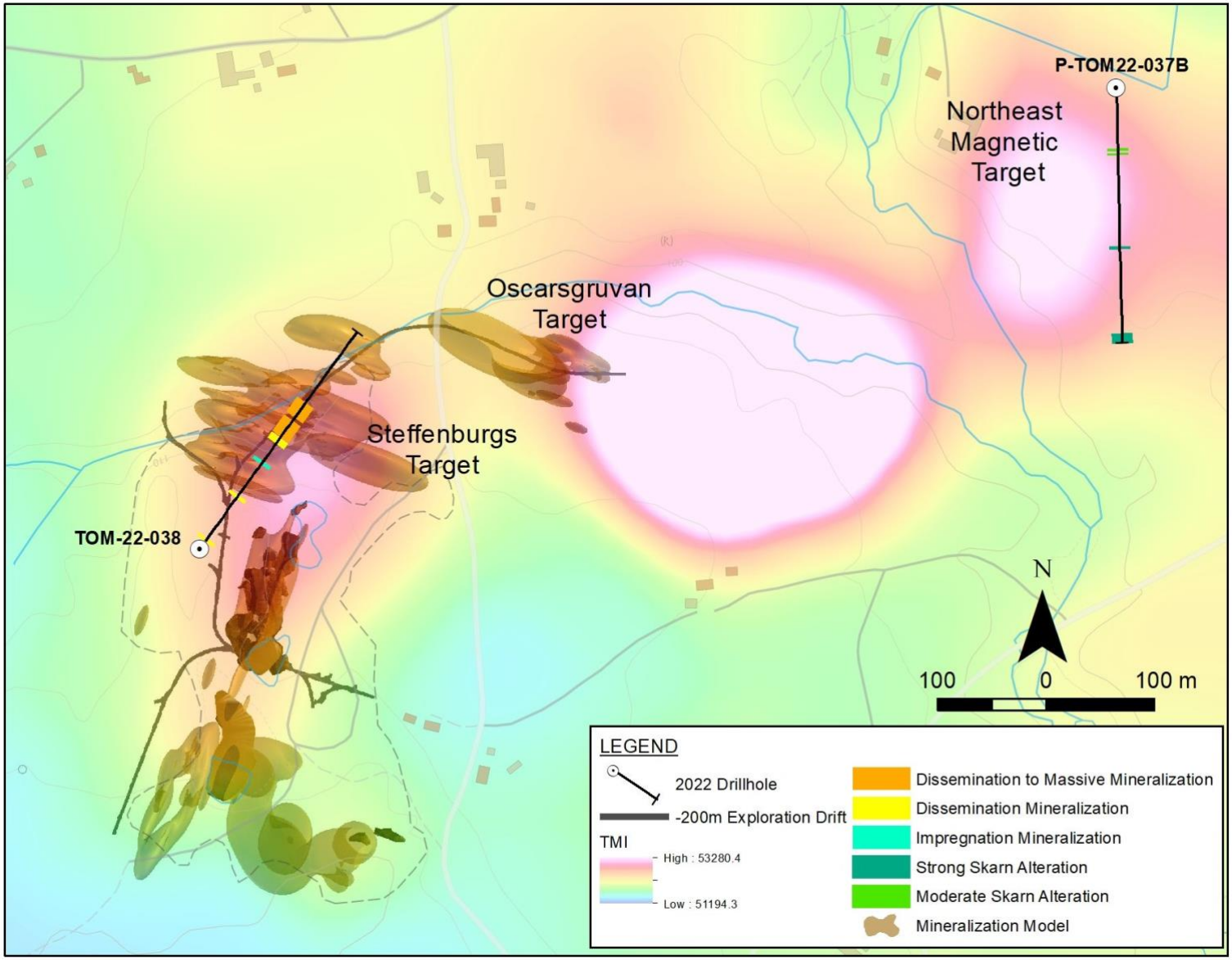

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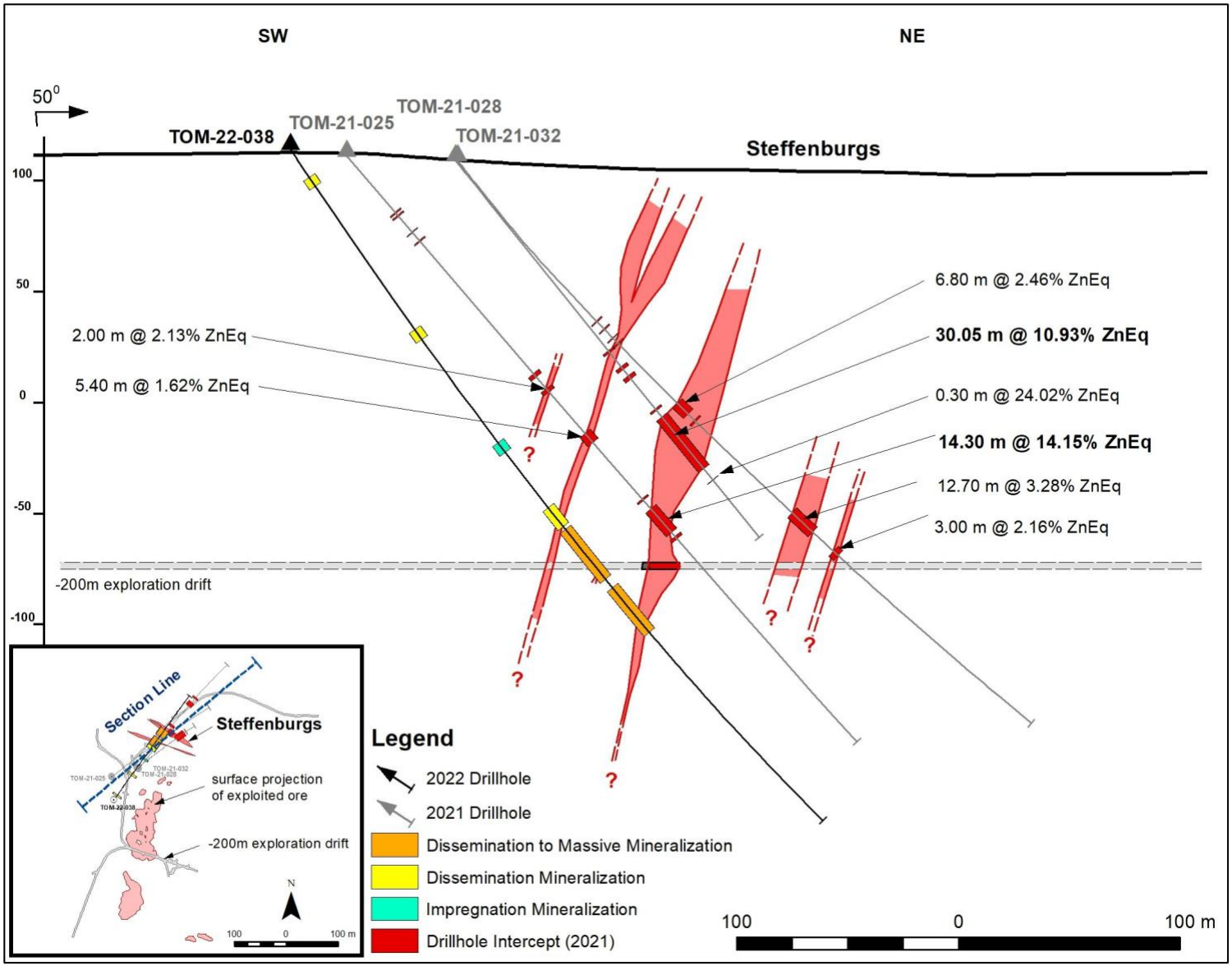
Figure 2: Cross Section Looking Northwest at Steffenburgs Zone



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Drill Hole Summaries

TOM22-037B (665 m step out northeast from Tomtebo Mine):

Hole TOM21-037B was drilled at an angled orientation (-50° dip) to the south (180° azimuth). It was designed to test a blind magnetic high anomaly along the interpreted VMS mineralized horizon located 665 northeast along trend from the historic Tomtebo Mine. Hole TOM22-037A was lost at a depth of 86.1 m, and TOM22-037B was the re-start hole.

After 18.5 m of overburden, the hole intersected weakly to moderately altered (silicification) felsic volcanic rocks with no sulphides that were intercalated with narrow mafic dykes from 18.5 to 87.7 m. Interbeds of pyroxene skarn replacing a former limestone with trace to 5% magnetite within moderately to strongly altered felsic volcanic rocks were encountered from 87.7 to 101.0 m, 226.1 to 229.6 m, and 345.0 to the end of hole depth at 357.9 m. The magnetic high anomaly may be explained by the magnetite mineralization associated with the skarn alteration and several mafic dykes that contain magnetite. Whether the VMS horizon was intersected will be determined through whole rock geochemistry.

TOM22-038 (Steffenburgs zone):

Hole TOM22-038 was drilled at an angled orientation (-56° dip) to the northeast (35° azimuth). It was designed to step out 80 m down dip from massive sulphides encountered in hole **TOM21-025, which returned 14.3 m at 14.2% ZnEq[1]** (210.0 to 224.3 m). During drilling of hole TOM22-038 there was substantial deviation in the up-dip direction, so that the resulting step out beneath hole TOM21-025 was approximately 40 m.

After 15.0 m of overburden, the hole intersected weakly to strongly altered felsic volcanic rocks with pyrite (0.1 to 1.0%, and up to 10%) and pyrrhotite (0.1 to 1.0%, and up to 10%) from 15.0 to 213.5 m with occasional meter-scale mafic dykes. Within this section chalcopyrite (0.1 to 1.0%) was observed from 15.0 to 20.0 m, 99.5 to 105.0 m, 113.0 to 114.0 m, 163.5 to 169.0 m, and 201.0 to 212.0 m.

Alteration and sulphide content increased to strongly altered felsic volcanic rocks with **disseminated, stringer, and impregnated with lesser semi-massive and massive polymetallic sulphide mineralization (sphalerite, galena, pyrite, pyrrhotite, chalcopyrite) from 213.5 to 242.8 m**. A weakly to moderately altered and mostly barren felsic volcanic unit with disseminated pyrite (0.1%) and pyrrhotite (0.1%) was encountered from 242.8 to 247.8 m. **The main target zone was encountered from 247.8 to 274.2 m** where strongly altered and mineralized felsic volcanic rocks with **disseminated to massive polymetallic sulphide mineralization was observed**.

This strongly mineralized intercept is underlain by moderately altered felsic volcanic rocks with disseminated pyrite (0.1 to 1.0%) and pyrrhotite (0.1 to 1.0%) from 274.2 to 284.1 m. Weakly to moderately altered felsic volcanic rocks alternating with mafic dykes continue from 284.1 m to the end of hole depth at 391.7 m.

References

[1] Metal prices used in USD for the ZnEq calculation were based on Ag $15.00/oz, Au $1650/oz, Cu $2.15/lb, Zn $0.85/lb, and Pb $0.75/lb. ZnEq equals = Zn% + (Ag g/t × 0.0257) + (Au g/t x 2.831) + (Cu% × 2.529) + (Pb% × 0.882). The use of ZnEq is to calculate cut-off grades for exploration purposes, and no adjustments were made for metal recovery.

Technical Information

All scientific and technical information in this news release has been prepared by, or approved by Garrett Ainsworth, PGeo, President and CEO of the Company. Mr. Ainsworth is a qualified person for the purposes of National Instrument 43-101 - *Standards of Disclosure for Mineral Projects.*

The drill core reported in this news release was logged and prepared at the District Metals AB core facility in Säter, Sweden before submittal to ALS Geochemistry in Malå, Sweden where the drill core is cut, bagged, and prepared for analysis. Sample pulps were sent to ALS Geochemistry in Ireland (an accredited mineral analysis laboratory) for analysis. Samples were analyzed using a multi-element ultra trace method combining a four-acid digestion with ICP-MS analytical package ("ME-MS61"). Over limit sample values were re-assayed for: (1) values of copper >1%; (2) values of zinc >1%; (3) values of lead >1%; and (4) values of silver >100 g/t using the high-grade material ICP-AES analytical package ("ME-OG62"). Additional over limit sample values were re-assayed for: (1) values of zinc >30%; (2) values of lead >20% using the high precision analysis of base metal ores AAS analytical package ("Zn, Pb-AAORE"). Gold, platinum, and palladium were analyzed using the 30 g lead fire assay with ICP-AES finish analytical package ("PGM-ICP23"). Certified standards, blanks, and duplicates were inserted into the sample shipment to ensure integrity of the assay process. Selected samples were chosen for duplicate assay from the coarse reject and pulps of the original sample. No QA/QC issues were noted with the results reported.

Some of the data disclosed in this news release is related to historical drilling results. District has not undertaken any independent investigation of the sampling nor has it independently analyzed the results of the historical exploration work in order to verify the results. District considers these historical drill results relevant as the Company is using this data as a guide to plan exploration programs. The Company's current and future exploration work includes verification of the historical data through drilling.

Mr. Ainsworth has not verified any of the information regarding any of the properties or projects referred to herein other than the Tomtebo Property. Mineralization on any other properties referred to herein is not necessarily indicative of mineralization on the Tomtebo Property.

About District Metals Corp.

District Metals Corp. is led by industry professionals with a track record of success in the mining industry. The Company's mandate is to seek out, explore, and develop prospective mineral properties through a disciplined science-based approach to create shareholder value and benefit other stakeholders.

The advanced exploration stage Tomtebo Property is located in the Bergslagen Mining District of south-central Sweden is the Company's main focus. Tomtebo comprises 5,144 ha and is situated between the historic Falun Mine and Boliden's Garpenberg Mine that are located 25 km to the northwest and southeast, respectively. Two historic polymetallic mines and numerous polymetallic showings are located on the Tomtebo Property along an approximate 17 km trend that exhibits similar geology, structure, alteration and VMS/SedEx style mineralization as other significant mines within the district. Mineralization that is open at depth and along strike at the historic mines on the Tomtebo Property has not been followed up on, and modern systematic exploration has never been conducted on the Property.

For further information on the Tomtebo Property, please see the technical report entitled "NI 43-101 Update Technical Report on the Tomtebo Project, Bergslagen Region of Sweden" dated effective October 15, 2020 and amended and restated on February 26, 2021, which is available on SEDAR at www.sedar.com.

On Behalf of the Board of Directors

"*Garrett Ainsworth*"
President and Chief Executive Officer

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Cautionary Statement Regarding "Forward-Looking" Information.

This news release contains certain statements that may be considered "forward-looking information" with respect to the Company within the meaning of applicable securities laws. In some cases, but not necessarily in all cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved" and any similar expressions. In addition, any statements that refer to expectations, predictions, indications, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events. Forward-looking statements in this news release relating to the Company include, among other things, statements relating to the Company's planned exploration activities, including its drill target strategy and next steps for the Tomtebo Property; the company's interpretations and expectations about the mineralization of the Tomtebo Mine; the Company's belief that the numerous gravity high anomalies identified at the historic Tomtebo Mine provide immense expansion potential; the Company's belief that the modeled gravity high anomalies at the historic Tomtebo Mine could correspond with polymetallic and/or iron sulphide mineralization, or a mafic unit; and the Company's belief that the gravity high anomaly located one kilometer to the northeast of the Tomtebo Mine represents a potential grassroots discovery opportunity with a modeled tonnage that compares with the historic production tonnage from the historic Falun Mine.

*These statements and other forward-looking information are based on opinions, assumptions and estimates made by the Company in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company believes are appropriate and reasonable in the circumstances, as of the date of this news release, including, without limitation, assumptions about the reliability of historical data and the accuracy of publicly reported information regarding past and historic mines in the Bergslagen district; the Company's ability to raise sufficient capital to fund planned exploration activities, maintain corporate capacity and satisfy the exploration expenditure requirements required by the definitive purchase agreement between the Company and the vendor of the Tomtebo Property (the "**Tomtebo Purchase Agreement**") by the times specified therein; and stability in financial and capital markets.*

Forward-looking information is necessarily based on a number of opinions, assumptions and estimates that, while considered reasonable by the Company as of the date such statements are made, are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks associated with the following: the reliability of historic data regarding the Tomtebo Property; the Company's ability to raise sufficient capital to finance planned exploration (including incurring prescribed exploration expenditures required by the Tomtebo Purchase Agreement, failing which the Tomtebo Property will be forfeited without any repayment of the purchase price); the Company's limited operating history; the Company's negative operating cash flow and dependence on third-party financing; the uncertainty of additional funding; the uncertainties associated with early stage exploration activities including general economic, market and business conditions, the regulatory process, failure to obtain necessary permits and approvals, technical issues, potential delays, unexpected events and management's capacity to execute and implement its future plans; the Company's ability to identify any mineral resources and mineral reserves; the substantial expenditures required to establish mineral reserves through drilling and the estimation of mineral reserves or mineral resources; the Company's dependence on one material project, the Tomtebo Property; the uncertainty of estimates used to calculated mineralization figures; changes in governmental regulations; compliance with applicable laws and regulations; competition for future resource acquisitions and skilled industry personnel; reliance on key personnel; title matters; conflicts of interest; environmental laws and regulations and associated risks, including climate change legislation; land reclamation requirements; changes in government policies; volatility of the Company's share price; the unlikelihood that shareholders will receive dividends from the Company; potential future acquisitions and joint ventures; infrastructure risks; fluctuations in demand for, and prices of gold, silver and copper; fluctuations in foreign currency exchange rates; legal proceedings and the enforceability of judgments; going concern risk; risks related to the Company's information technology systems and cyber-security risks; and risk related to the outbreak of epidemics or pandemics or other health crises, including the recent outbreak of COVID-19. For additional information regarding these risks, please see the Company's Annual Information Form, under the heading "Risk Factors", which is available at www.sedar.com. These factors and assumptions are not intended to represent a complete list of the factors and assumptions that could affect the Company. These factors and assumptions, however, should be considered carefully. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Also, many of such factors are beyond the control of the Company. Accordingly, readers should not place undue reliance on forward-looking statements or information. The forward-looking information is made as of the date of this news release, and the Company assumes no obligation to publicly update or revise such forward-looking information, except as required by applicable securities laws. All scientific and technical information contained in this news release has been prepared by or reviewed and approved by Garrett Ainsworth, PGeo, President and CEO of the Company. Mr. Ainsworth is a qualified person for the purposes of National Instrument 43-101 - Standards of Disclosure for Mineral Projects.