



District Intersects Strong Visual Polymetallic Sulphide Mineralization at the Tomtebo Property

Vancouver, B.C.

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April 29, 2024 – District Metals Corp. (TSX-V: DMX) (OTCQB: DMXCF) (FRA: DFPP); (“District” or the “Company”) is pleased to provide an update on the recently completed core drilling program at the Tomtebo Property located in the Bergslagen Mining District of south-central Sweden.

Drilling at the Tomtebo Property is part of the CDN \$2.0M budget for exploration on the Tomtebo and Stollberg Properties approved by District and Boliden Mineral AB. As previously announced District and Boliden Mineral AB have agreed to collaborate on the development of District’s wholly-owned polymetallic Tomtebo Property and Boliden’s wholly-owned polymetallic Stollberg Property, pursuant to which District has been appointed as operator ([October 30, 2023](#) and [February 20, 2024](#) news releases).

Drilling at the Tomtebo Property commenced in mid-February where a total of 2,196 m of drilling in six holes (extension of TOM22-037B, TOM24-039 to -043) was completed (Figures 1 to 4). A total of 315 samples for multi-element assay and 120 samples for whole-rock lithogeochemistry were then selected. Drill core samples from these six holes have recently been sent to Boliden’s Garpenberg Mine for core cutting. The samples will be sent to ALS Geochemistry in Malå, Sweden for assay preparation and then to ALS Geochemistry in Loughrea, Ireland for analysis. Assay results are expected in June.

Highlights

- **Strong footwall polymetallic sulphide mineralization encountered at the Steffenburgs zone: Hole TOM24-042 intersected copper-rich semi-massive to massive sulphide mineralization over approximately 17.0 m (309.0 to 326.0 m) (Figures 1 to 4).**
- **Additional footwall polymetallic sulphide mineralization from the Steffenburgs zone includes:**

- **Hole TOM24-041 intersected multiple intersections of disseminated to stringer-style copper-rich sulphide mineralization over approximately 60.0 m (190.0 to 250.0 m).**
- **Hole TOM24-043 intersected intermittent disseminated copper-rich sulphide mineralization over approximately 21.0 m (327.0 to 348.0 m).**
- **Down-hole electromagnetic results show multiple off-hole conductors:** all drill holes were followed up by Boliden's in-house, state of the art, down-hole, three component electromagnetic (DHEM) survey¹, and holes TOM24-037B, 041 to -043 showed both in-hole and off-hole EM conductors that likely represent sulphide mineralization.

Rodney Allen, Technical Advisor for District, commented: "The most important exploration guide to track down volcanogenic massive sulphides (VMS) is to define where in the stratigraphic succession the original sea floor horizon that the VMS formed on occurs, and to then follow this "mineralized horizon" along strike and down-dip to locate the VMS lenses using the tools of geology, geochemistry and geophysics. VMS deposits always occur in clusters and each deposit generally comprises a cluster of massive sulphide lenses separated by less mineralized rock. Therefore, we can be certain that the massive sulphide that we intersected previously at the Steffenburgs zone is not the only massive sulphide lens in the Tomtebo system. Consequently, we designed hole TOM22-037B to locate and test the mineralized horizon to the northeast of the Steffenburgs zone and holes TOM24-039 and TOM24-040 to locate and test the mineralized horizon west of Steffenburgs. We anticipate that these holes have intersected the mineralized horizon, interpretation of the lithogeochemical samples taken in the drill cores is required in order to be certain. Holes TOM22-037B, TOM24-039 and -040 all intersected moderately to strongly hydrothermally altered volcanic rocks, which indicates that they are still within the Tomtebo mineral system. However, mineralization is weak and the alteration is interpreted to represent medial to distal types that occur several tens to hundreds of meters from potentially high grade mineralization. Consequently, further drilling will step out further along strike and/or drill deeper at these localities.

Holes TOM24-041 to -043, which drilled the Steffenburg zone, all intersected intense proximal footwall-style alteration and associated footwall "stringer" sulphide veins and sulphide impregnation. In addition, TOM24-042 intersected extensive strong semi-massive to massive sulphide mineralization, which could be intense footwall mineralization rather than the sea floor massive sulphide; again, here we require results from the lithogeochemical sampling to be certain of the exact location of the ancient sea floor ore horizon. Strong footwall alteration and mineralization are more widespread than the overlying sea floor massive sulphide lens at Steffenburgs zone. Consequently, some drill holes intersect high grade mineralization within the footwall and little or no massive sulphide at the actual sea floor "mineralized horizon", whereas other holes intersect both semi-massive to massive sulphide in the footwall and massive sulphide at the mineralized horizon. This is normal in VMS exploration. Delineation of the sea floor massive sulphide lenses, which typically contain the highest grades, requires systematic drilling."

Garrett Ainsworth, CEO of District, commented: "The highlight of our recently completed drill program at Tomtebo is hole TOM24-042, which encountered 17.0 m of continuous semi-massive to massive polymetallic sulphides. We were pleasantly surprised with the visual content of

copper-rich sulphides (chalcopyrite), which are often associated with elevated gold values at the historic Tomtebo Mine. Polymetallic sulphide mineralization at the Steffenburgs zone remains open at depth.

The use of Boliden's DHEM survey identified significant off-hole electromagnetic conductors in Hole TOM24-042 and in several other drill holes that are likely associated with sulphide mineralization that will require follow up."

Figure 1: Plan Map of Drilling at Tomtebo

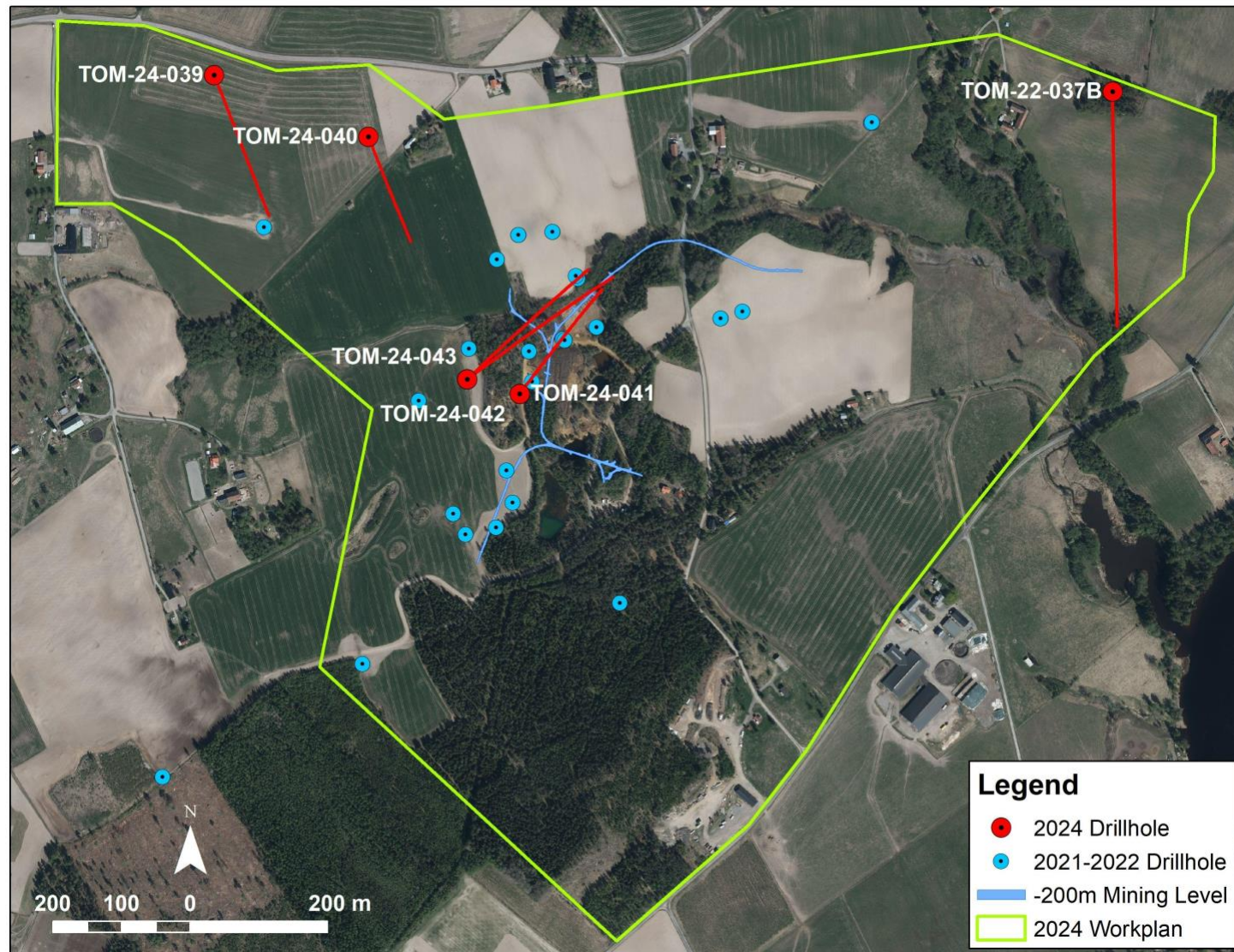


Figure 2: Simplified 3D Model Looking Southeast at Steffenburgs Zone

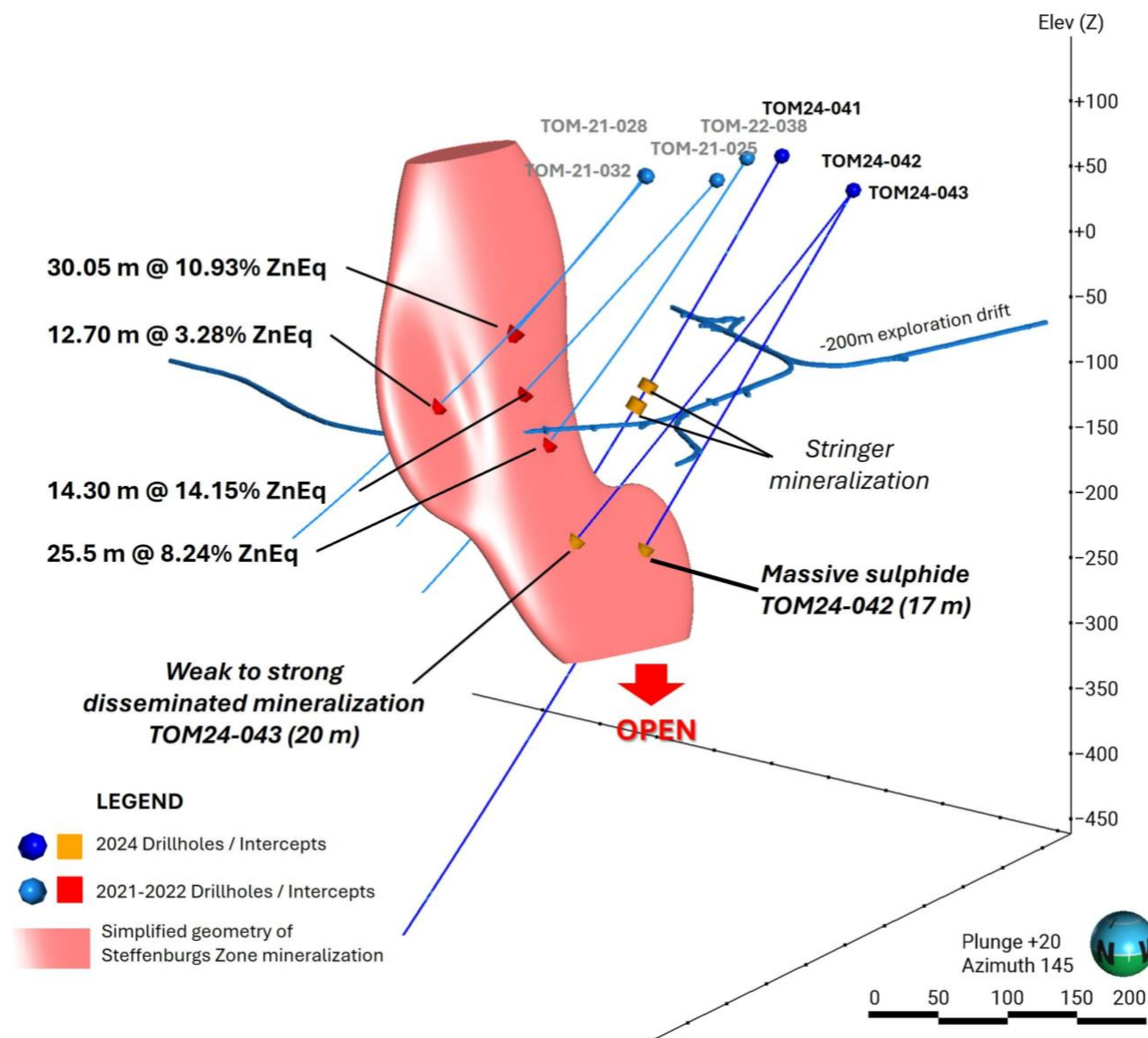


Figure 3: Simplified Cross Section Looking Northeast at Steffenburgs Zone

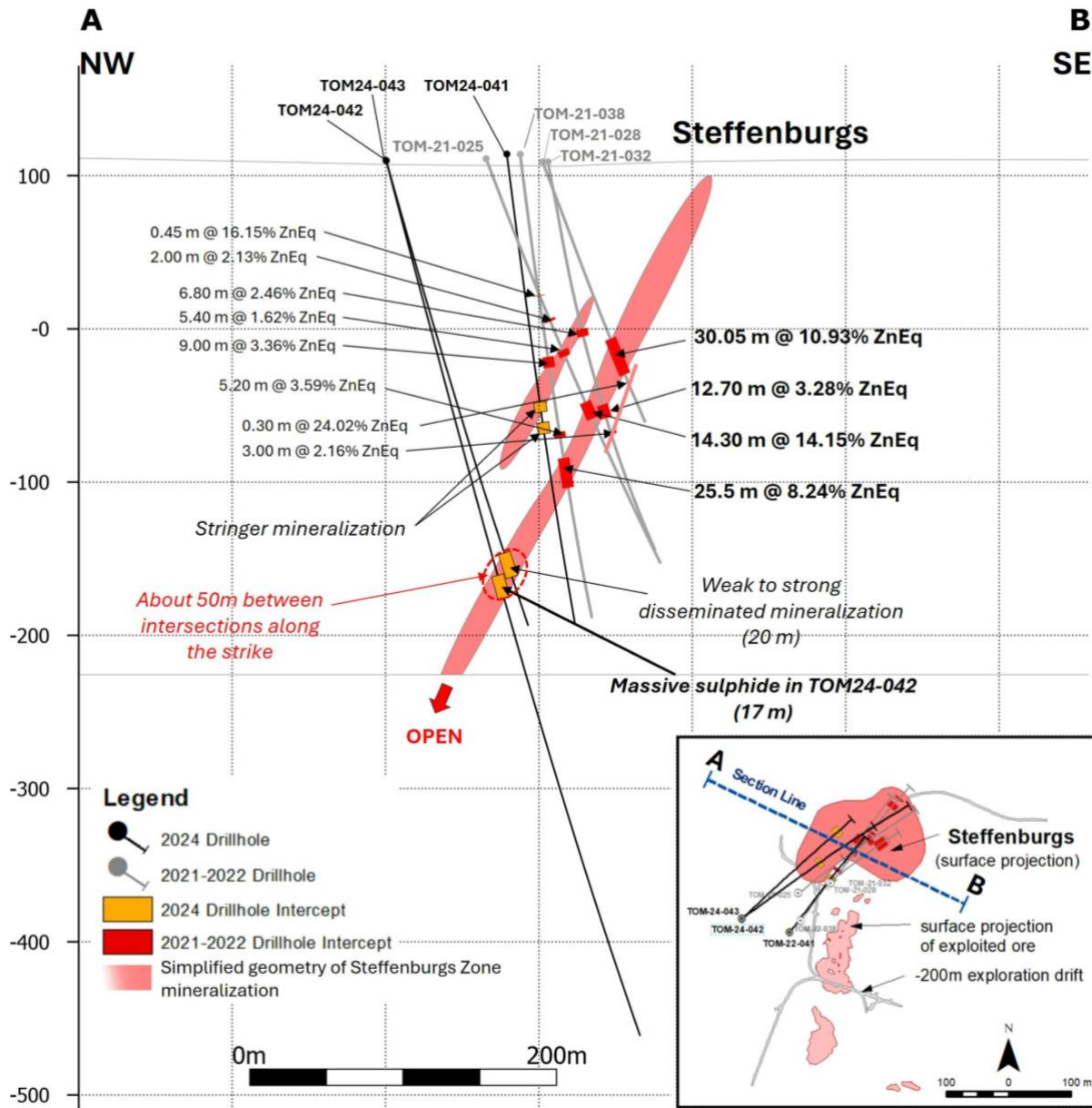


Figure 4: TOM24-042 Sulphide Mineralization from 312.4 to 326.5 m



Drill Hole Summaries

Extension TOM22-037B (900 m step out northeast from historic Tomtebo Mine):

Hole TOM22-037B was drilled in 2022 at an angled orientation (-50° dip) to the south (180° azimuth) to 357.9 m. It was designed to test a blind magnetic high anomaly along the interpreted VMS mineralized horizon located 900 m northeast along trend from the historic Tomtebo Mine. Interpretation of the lithogeochemical samples taken in 2022 indicated that the hole did not pass

the mineralized horizon and warranted continuation. TOM22-037B was extended by 200 m to 557.75 m.

Strong silicification and locally albite altered felsic mass flow deposits/pumice breccia were intersected up to 440 m. The alteration changed gradually from weak to moderate silica-biotite-muscovite alteration to strong silica-biotite-amphibole-garnet alteration up to 547 m. Narrow intervals of amphibole skarn replacing former carbonate rich layers were encountered at 516 to 523 m and 535 to 538 m. Small patches of up to 5% disseminated pyrite and pyrrhotite occurred at 514 to 525m, 535 to 541 m and 542 to 545 m. Alteration weakened from 547 m and the host has been interpreted as fine to medium grained, feldspar-quartz dominated felsic ash silt-sandstone. A weak BHEM off-hole anomaly was interpreted at ~240 m down-hole.

TOM24-039 (700 m step out northwest from historic Tomtebo Mine):

Hole TOM24-039 (326.9 m) was drilled at an angled orientation (-50° dip) to the southeast (159° azimuth). It was designed as a geological hole to test the interpreted VMS mineralized horizon located roughly 700 m northwest from the historic Tomtebo Mine.

After 15 m of overburden, the hole intersected weak to locally moderate altered felsic volcanic (clastic) rocks with local meter-size cross cutting mafic dykes up. Trace pyrite is observed as local patches. BHEM did not reveal any off-hole anomalies. Pending lithogeochemical results should determine the rock precursor and alteration intensity.

TOM24-040 (500 m step out northwest from historic Tomtebo Mine):

Hole TOM24-040 (263.8 m) was drilled at an angled orientation (-50° dip) to the southeast (158° azimuth). It was designed as a geological hole to test the interpreted VMS mineralized horizon located roughly 500 m northwest from the historic Tomtebo Mine and a 200 m step-out from TOM24-039.

This hole intersected similar geology as TOM24-039, although alteration is more present. A zone of strong amphibole-garnet-cordierite-biotite-muscovite-silica altered felsic volcanic rocks with trace to 2% disseminated pyrite was observed between 159 to 175 m. A greenish, fine to medium grained, amphibole-pyroxene dominated skarn(?) with trace of pyrite-chalcopyrite was noticed from 202 to 226 m. A weak BHEM off-hole anomaly was interpreted at ~125 m down-hole. Pending lithogeochemical sampling should determine the rock precursor and alteration intensity.

TOM24-041 (Steffenburgs Zone)

Hole TOM24-041 (362.8 m) was drilled at an angled orientation (-59° dip) to the northeast (37° azimuth). It was designed to step out 60 m down dip from massive sulphides encountered in hole **TOM22-038, which returned 25.5 m at 8.2% ZnEq²** (249.0 to 274.1 m), including a 0.40m interval at **384 g/t Au and 855 g/t Ag** (273.7 to 274.1 m).

After 16 m of overburden, the hole intersected moderate to strongly altered felsic volcanic rocks with local disseminated to stringer-style pyrite (0.1 to 1.0%, and up to 20%) and pyrrhotite (0.1

to 1.0%, and up to 10%) from 15 to 362.8 m intercalated by meter-scale mafic dykes. Within this section chalcopyrite (0.1 to 1.0%) was observed from 99 to 101 m, 190 to 197 m, 205 to 214 m, 230 to 232 and 248 to 250 m with minor galena as traces to mm-sized stringers. Gahnite is locally present as patches from 100 to 107 m and 225 to 250 m.

Several potential fault zones (294 to 297 m and 305 to 308 m) with fine, disseminated pyrite-pyrrhotite were observed and sampled with regards to the Au-Ag intersections in TOM22-038. Moderately altered felsic volcanic rocks with disseminated pyrite (0.1 to 1.0%) and pyrrhotite (0.1 to 1.0%) alternating with mafic dykes continued to the end of hole depth at 363.8 m.

TOM24-042 (Steffenburgs Zone)

Hole TOM24-042 (657.0 m) was drilled at an angled orientation (-61° dip) to the northeast (54° azimuth). It was designed to step out 80 m down dip from TOM24-041 testing the depth extension of the intersected mineralization at Steffenburgs Zone.

After 12 m of overburden, the hole intersected a fine grained, laminated silicified felsic volcanic rock with no mineralization up to 41 m. A sharp transition from moderate to strongly altered felsic volcanic rocks with local disseminated to stringer-style pyrite (0.1 to 1.0%, and up to 5%) and pyrrhotite (0.1 to 1.0%, and up to 5%) was noticed from 41 to 118 m with occasional meter-scale mafic dykes. Within this section chalcopyrite (0.1 to 1.0%) was observed from 52 to 58 m, and 109 to 118 m. Gahnite was locally present as patches from 52 to 56 m. More intense biotite-muscovite-silica-cordierite alteration continued down-hole with local disseminated pyrite – pyrrhotite – chalcopyrite -sphalerite observed between 231 to 266 m including patches of abundant gahnite. Semi-massive to massive replacement style mineralization including fragments of altered felsic volcanic host rock, characterized by dense stringer networks of pyrrhotite-pyrite-chalcopyrite that transition into massive pyrrhotite-sphalerite zones were noticed from 308.3 to 326 m. A fault zone was noticed from 334 to 340 m dominated by chlorite schists and minor pyrite-pyrrhotite disseminations. Moderate to intensely altered felsic volcanic rock with trace to weak disseminated pyrite-pyrrhotite mineralization continued down-hole, including a mineralized fault zone between 411 to 414m.

TOM24-043 (Steffenburgs Zone)

Hole TOM24-043 (386.0 m) was drilled from the same drill platform as TOM24-042 at an angled orientation (-53° dip) to the northeast (49° azimuth). It was designed to step out 50 m from TOM24-041 along strike towards north testing the down-plunge of the intersection mineralization at Steffenburgs Zone.

This hole showed similar lithological units and alteration styles as encountered in TOM24-042, including several weakly mineralized intervals from 54 to 105 m that were generally characterized by a pyrite, pyrrhotite, gahnite and trace chalcopyrite mineralization. An intensely altered felsic volcanic rock with two embedded amphibole-pyroxene skarns were observed from 302 to 363 m. Multiple intervals of polymetallic sulphide mineralization, including disseminated to veins of pyrite, pyrrhotite, sphalerite, galena, gahnite, magnetite and chalcopyrite mineralization were

noticed, closely associated to the skarn. The remainder of the hole was dominated by moderately altered felsic volcanic with trace mineralization.

BHEM in TOM24-041 to -043 indicated both in-hole and off-hole anomalies, which warrants investigation, together with numerous structural readings, obtained from orientated drill core. Compilation of the observed lithologies, alteration and zones of mineralization together with lithogeochemical data should improve the knowledge of the Steffenburgs Zone mineralization and the depth extension potential.

References

¹ Allen, Rodney L., Jonsson, Rolf H. 2014. Boliden's Garpenberg Zn-Pb-Ag mine, Sweden – Critical factors behind the discoveries that turned mine closure into a large expansion project. SEG Conference Abstract 0393-000191. <https://www.segweb.org/SEG/Events/Conference-Archive/2014/Conference-Proceedings/data/papers/abstracts/0393-000191.pdf>

² 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. $\text{ZnEq equals} = \text{Zn\%} + (\text{Ag g/t} \times 0.0257) + (\text{Au g/t} \times 2.831) + (\text{Cu\%} \times 2.529) + (\text{Pb\%} \times 0.882)$. 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, and was shipped to Boliden's Garpenberg Mine for core cutting. The half core samples are then sent to ALS Geochemistry in Malå, Sweden for assay preparation and then the sample pulps are sent to ALS Geochemistry in Ireland (an accredited mineral analysis laboratory) for analysis. Samples are analyzed using a multi-element ultra trace method combining a four-acid digestion with ICP-MS analytical package ("ME-MS61"). Over limit sample values are 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 are 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 are 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 are chosen for duplicate assay from the coarse reject and pulps of the original sample. No QA/QC issues have been 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.

District is a polymetallic exploration and development company focused on the Viken and Tomtebo Properties in Sweden. The Viken Property covers 100% of the uranium-vanadium Viken Deposit, which is an asset with substantial exploration and development expenditures that resulted in the definition of large historic polymetallic resource estimates in 2010 and 2014. The Viken Deposit is amongst the largest deposits by total historic mineral resources of uranium and vanadium in the world.

The advanced exploration stage Tomtebo Property is located in the Bergslagen Mining District of south-central Sweden 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.

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.sedarplus.ca.

On Behalf of the Board of Directors

"Garrett Ainsworth"

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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

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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 information in this news release relating to the Company include, among other things, statements relating to the Purchase Agreement and closing thereof; the Company’s Swedish polymetallic properties; the Company’s planned exploration activities, including its drill target strategy and next steps for the Swedish properties; and the Company’s interpretations and expectations about the results on the Swedish properties.

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; and in respect of the intention of the Swedish government to eventually lift or amend its moratorium on uranium exploration and mining in Sweden; the Company’s ability to raise sufficient capital to fund planned exploration activities, maintain corporate capacity; 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 on District’s properties; the Company’s ability to raise sufficient capital to finance planned exploration; that the Swedish government maintains its moratorium on uranium exploration and mining in Sweden for the foreseeable future; 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 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 metals; fluctuations in foreign currency exchange rates; legal proceedings and the enforceability of judgments; going concern risk; risks related to the Company’s information technology systems and cyber-security risks; and risk related to the outbreak of epidemics or pandemics or other health crises. For additional information regarding these risks, please see the Company’s Annual Information Form dated July 11, 2022, under the heading “Risk Factors”, which is available at www.sedarplus.ca. 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 information 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 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.