



District Reports on Significant Gravity High Anomalies at the Tomtebo Property

Vancouver, B.C.

March 31, 2021

March 31, 2021 – District Metals Corp. (TSX-V: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to announce the results of a ground gravity survey at the high grade polymetallic Tomtebo Property located in the Bergslagen Mining District in south-central Sweden. This gravity survey was carried out in December 2020, and focused on the Tomtebo Mine Trend (Figure 1) that is centered on the historic Tomtebo Mine, and is delineated by numerous conductive and magnetic high anomalies identified from the July 2020 SkyTEM survey.

Gravity Survey Highlights:

- **Numerous gravity high anomalies** have been identified **at the historic Tomtebo Mine** (Figure 2). These gravity high anomalies are within and well outside of the known mineralized domains, which **provides confirmation and immense expansion potential**.
- The gravity high anomalies at the historic Tomtebo Mine show an **exploration target of over 72.0 Mt at a density of 3.45 g/cm³ from near surface down to a depth of 650 m**. The gravity survey established a background density of 2.72 g/cm³ for the host felsic volcanic rocks, and the modeled gravity high anomalies could correspond with polymetallic and/or iron sulphide mineralization, or a mafic unit.
- A **very significant blind gravity high anomaly** has been identified **1.0 km northeast along trend from the historic Tomtebo Mine** (Figure 2). This gravity high anomaly remains open to the northeast and at depth where an exploration target of **34.0 Mt at a density of 3.45 g/cm³** has been modeled at shallow depths (40 to 320 m).
- A **significant gravity high anomaly** has been identified **600 m southwest from the historic Tomtebo Mine** (Figure 2). This gravity high anomaly is associated with historic iron sulphide occurrences, which are known to sometimes coalesce with polymetallic sulphide mineralization in the Bergslagen District. This exploration target remains open to the southwest and at depth where **28.7 Mt at a density of 3.50 g/cm³** has been modeled at shallow depths (near surface to 420 m).

The potential quantity and density of the exploration targets described above are conceptual in nature, and it is not possible to make assumptions on metal grades from a gravity survey. There has been insufficient or no drilling to define a mineral resource or to determine if polymetallic sulphide mineralization is present, respectively. It is uncertain if further drilling will result in these exploration targets being delineated as a mineral resource or resulting in the discovery of polymetallic sulphide mineralization.

Garrett Ainsworth, CEO of District, commented: “Our ground gravity survey covering the Tomtebo Mine Trend has worked extraordinarily well. Interpretation of the gravity data has successfully confirmed proof of concept and identified compelling expansion potential at the historic Tomtebo Mine. This survey has also revealed two high priority gravity targets with coincident magnetic and/or conductive anomalies located 0.6 to 1.0 km along trend from the Tomtebo Mine. We are especially excited about the gravity high anomaly located one kilometer to the northeast of the Tomtebo Mine, which represents a potential grassroots discovery opportunity with a modeled tonnage that compares with the historic production tonnage from the historic Falun Mine.”

The December 2020 ground gravity survey covered a 2 km by 3 km portion of the Tomtebo Mine Trend with 200 m line spacings and stations 50 m along the lines, which totaled approximately 400 gravity stations. The large density differential between the surrounding host felsic volcanic rocks, and targeted polymetallic sulphide mineralization on the Tomtebo Mine Trend has generated an important data layer that in combination with magnetic, electromagnetic, and geochemical data has revealed priority drill targets.

Gravity Survey Background

Gravity surveys measure differences in the Earth’s gravity field in milligals (mGal), which is sensitive to variations in rock density, and can be used to detect excess mass, which may indicate a potential massive sulphide deposit at depth, and to estimate the size of the excess mass. The sulphide minerals found in massive sulphide (VMS or SedEx) deposits have relatively high density values in marked contrast to lower density values measured in their volcanic and sedimentary host rocks. In its purest form, massive sulphide mineral density ranges from 4.0 to 7.5 g/cm³ while the felsic volcanic host rock ranges from 2.6 to 2.8 g/cm³. Gravity high anomalies of 3.2 g/cm³ or greater are typical VMS and SedEx signatures that center over these types of deposits.

Volcanic Massive Sulphide (VMS) and SedEx deposits can often be identified by gravity survey data. Metal content zonation within VMS systems in particular is typical from proximal feeder copper-gold zones being strongly conductive and weakly to strongly magnetic with the more distal SedEx silver-zinc-lead zones being weakly- to non-conductive and weakly to strongly magnetic, which can be greatly complemented by gravity data. Where targets are blind, exploration drilling should be prioritized in areas that exhibit at least two coincident anomalies of conductivity, magnetics, or gravimetry.

Figure 1: Ground Gravity Survey Station Plan

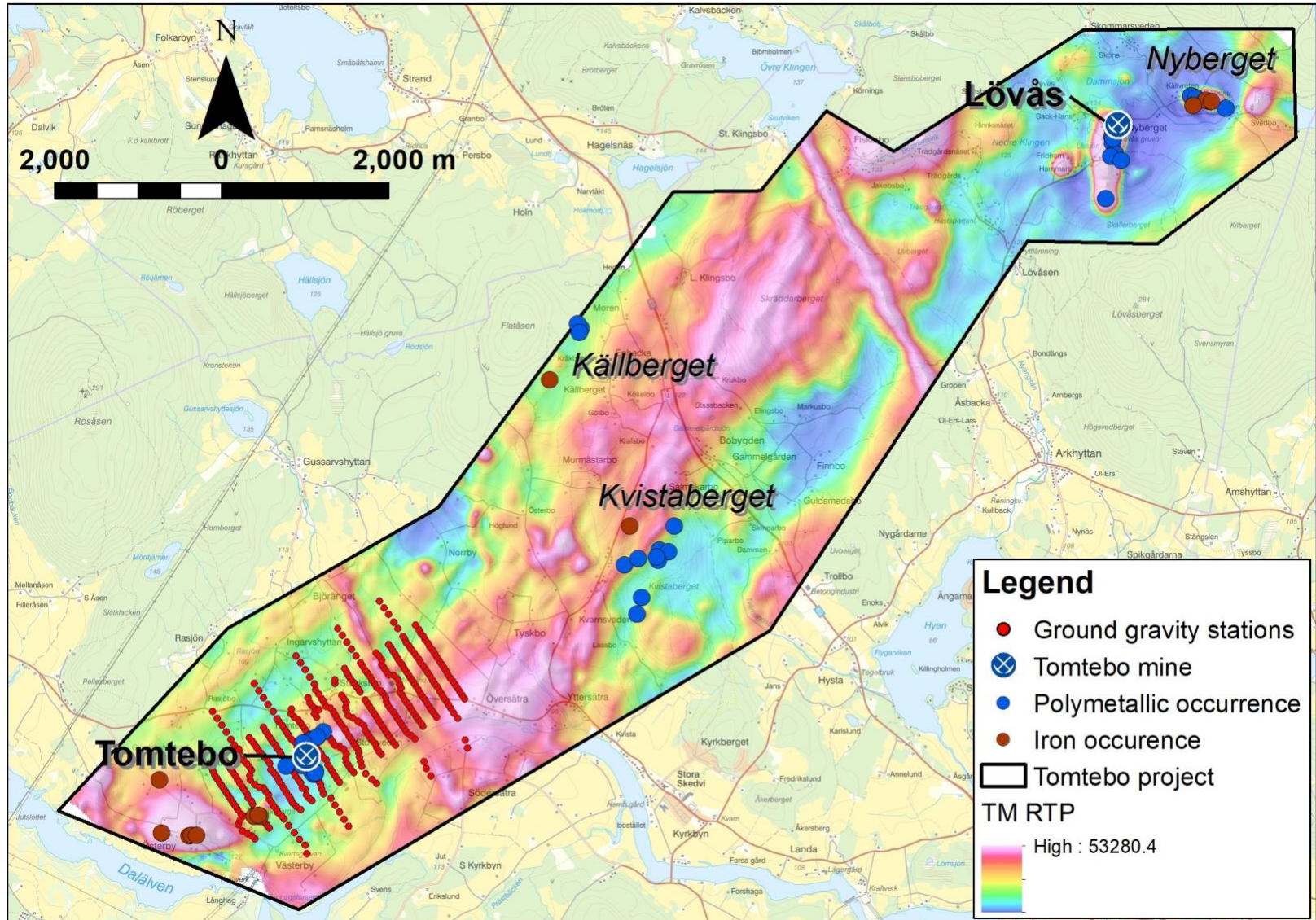
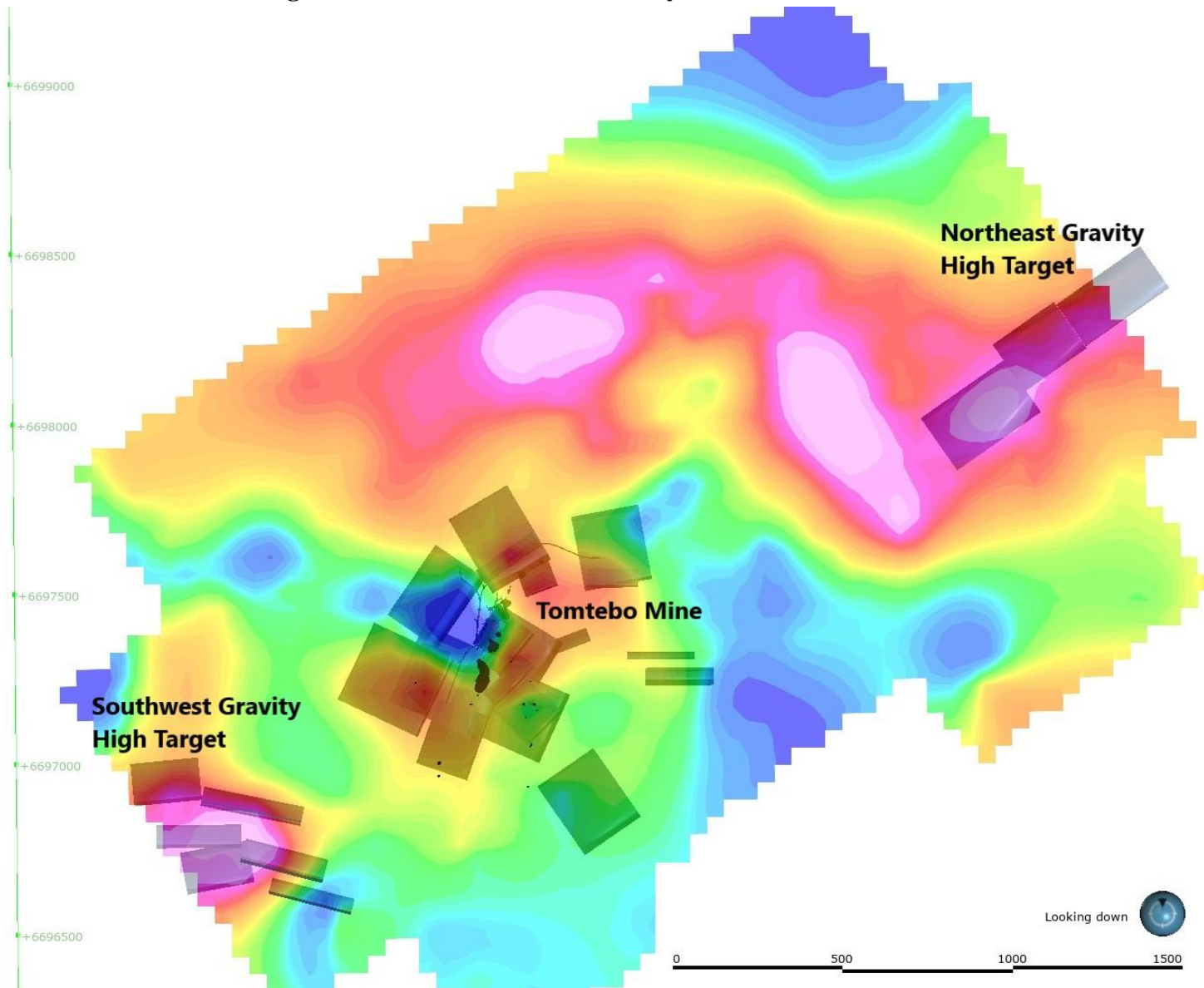


Figure 2: Terrain Corrected Gravity on Tomtebo Mine Trend



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*.

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.

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 statements" 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 state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved" and other similar expressions. In addition, statements in this news release that not historical facts are forward looking statements including anticipated results of future exploration and the results of additional compilation work.

*These statements and other forward-looking information are based on assumptions and estimates that the Company believes are appropriate and reasonable in the circumstances, 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 "**Definitive Purchase Agreement**") by the times specified therein (failing which the Tomtebo Property will be forfeited without any repayment to the Company); and stability in financial and capital markets.*

There can be no assurance that such statements will prove to be accurate and actual results, and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Company's expectations include; the risk that historic data regarding the Tomtebo property is unreliable; the risk that information concerning production and mineralization at current and historic mines within the Bergslagen District proves to be inaccurate; the risk that the Company will be unable to raise sufficient capital to finance planned exploration (including incurring prescribed exploration expenditures required by the Definitive Purchase Agreement, failing which the Tomtebo Property will be forfeited without any repayment of the purchase price); future metal prices, general economic, market or business conditions, and other exploration or other risks detailed herein and from time to time in the filings made by the Company with securities regulators, including those described under the heading "Risks and Uncertainties" in the Company's MD&A for the financial year ended June 30, 2020. The Company does not undertake to update or revise any forward-looking statements, except in accordance with applicable law. Readers are cautioned not to put undue reliance on these forward-looking statements.