

District Reports on Shallow Historic Drill Results from the Lövås-Nyberget Area Including 15.9 m at 1.3% Copper

VANCOUVER, BC, March 3, 2021 /CNW/ - **District Metals Corp.** (TSXV: DMX) (FRA: DFPP); ("**District**" or the "**Company**") is pleased to announce that it has recently obtained 13 historical drill logs and assay data from the Lövås-Nyberget Area located within District's polymetallic Tomtebo Property in the Bergslagen Mining District of south-central Sweden. These historic drill results from the Dammsjön and Flyttjebasen zones were obtained from the Geological Survey of Sweden (SGU), and are from drilling campaigns carried out by Boliden Gruvförvaltningen in 1953 and 1972.

The Lövås-Nyberget Area is situated at the northeast end of the Tomtebo Property (Figure 1), and is approximately 12 km northeast from the former Tomtebo Mine where the Company is scheduled to commence a 5,000 m drill program this month.

Garrett Ainsworth, CEO of District, commented: "The exploration potential of the Tomtebo Property continues to improve with these additional historic drill results. There is a relatively high density of historic mines and mineral occurrences across Tomtebo that suggests profuse metal leakage has occurred along controlling structures and geological units. The Lövås-Nyberget area represents another highly prospective target for District in a part of the license area with little to no modern previous systematic exploration."

The reported historic drill highlights are from the Dammsjön and Flyttjebasen zones, which are located 530 m north and 960 m northeast-east from the former Lövås Mine. Shallow drilling of these zones to depths between 63.3 to 140.1 m encountered narrow to wide intervals of stacked polymetallic mineralization with low to moderate base metal and silver values in 10 out of 13 holes, and mineralization remains wide open along strike and at depth. Significant gold values are known in the area, but historically were not often assayed.

- Hole 21 – Dammsjön zone – **15.9 m at 1.3% Cu, 0.6% Zn, and 0.3% Pb** (47.4 to 63.3 m).
- Hole 25 – Flyttjebasen zone – **4.8 m at 1.1% Zn, 1.8% Pb, 0.1% Cu, and 44.3 g/t Ag** (83.2 to 88.0 m).
- Hole 31 – Flyttjebasen zone – **11.1 m at 1.6% Zn, 0.8% Pb, 0.1% Cu, and 11.2 g/t Ag** (72.9 to 84.0 m).

This historic drilling has confirmed that polymetallic mineralization strikes northwest-west to southeast-east for 1.5 km from the Dammsjön and Flyttjebasen zones, and magnetic high anomalies suggest this mineralized trend continues for more than 2.4 km.

For additional details, including a full table of the historical results, together with an overlay of the 2020 SkyTEM magnetic data, which will impact future exploration planning and potential, please refer to Company's website.



Figure 1 – Location of Lövås-Nyberget Area (CNW Group/District Metals Corp.)

Mineral License Extension

On February 10, 2021 the Swedish Government approved a proposal to grant a one-year extension of all valid mineral licenses due to the Covid-19 pandemic. This approval will provide an extra year for District's Tomtebo and Trollberget Properties at no cost. Since the future effects of the pandemic remain unknown there may be additional easements for exploration companies operating in Sweden. This initiative taken by the Swedish Government is an excellent example of why Sweden is such a good jurisdiction to operate in.

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.

The drill results reported in this news release are historical in nature. 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. The author of the NI 43-101 Technical Report on the Tomtebo Property has completed historical data verification and validation work, and has concluded that the historical drill results at the Tomtebo Mine do not conform to the presently accepted industry standards. District considers these historical drill results relevant as the Company will use this data as a guide to plan future exploration programs. The Company also considers the data to be reliable for these purposes, however, the Company's future exploration work will include verification of the data through drilling.

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"
President and Chief Executive Officer

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Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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.

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