



District and Boliden Joint Technical Committee Approve 2024 Exploration Budget on the Tomtebo and Stollberg Properties and Commence Drilling at the Tomtebo Property in Sweden

Vancouver, B.C.

February 20, 2024

February 20, 2024 – District Metals Corp. (TSX-V: DMX) (OTCQB: DMXCF) (FRA: DFPP); (“District” or the “Company”) is pleased to announce that District and Boliden Minerals AB have approved an exploration budget of CDN \$2.0M on the Tomtebo and Stollberg Properties for 2024. District is the operator of the Tomtebo-Stollberg collaboration, and the Company has commenced core drilling at the high grade polymetallic Tomtebo Property located in the Bergslagen Mining District in south-central Sweden.

Highlights:

- The **approved 2024 Exploration Budget of CDN\$2.0M** for the **Tomtebo and Stollberg Properties** will cover historical compilation work, geological mapping, geochemical sampling, ground magnetic and electromagnetic surveys, historic drill core review, and core drilling.
- The planned core **drill program for the Tomtebo Property** comprises **2,250 m in six to eight drill holes** (Figure 1) will be followed up by Boliden’s in-house, state of the art, down-hole, three component electromagnetic (DHEM) survey¹.
- Three drill holes in 1,200 m of drilling will test the Steffenburgs zone at the historic Tomtebo Mine by **stepping out below hole TOM22-038** that returned **25.5 m at 8.2% ZnEq²** (249.0 to 274.1 m). This interval included **384 g/t Au and 855 g/t Ag over 0.4 m** (273.7 to 274.1 m) that is wide open at depth (Figure 2).
- Three to five drill holes will **test the inferred mineralized horizon** to the **west and east** of the **historic Tomtebo Mine**.

Garrett Ainsworth, CEO of District, commented: “The Joint Technical Committee ran a very thorough process in reaching approval on the 2024 exploration budget for the Tomtebo and Stollberg Properties. The collaboration here has outlined an exciting path forward for exploration that includes additional target generation and drill testing of high priority targets.

Due largely to market conditions we have been waiting almost two years to get the drill rig back at Tomtebo where we will be taking some aggressive step outs below significant high grade polymetallic mineralized drill intercepts at the Steffenburgs zone that is within the historic Tomtebo Mine. We are also keen to drill test along the polymetallic fertile horizon to the east and west of the Tomtebo Mine that will be guided by recent whole rock geochemistry and ground magnetic results. All drill holes at Tomtebo will be followed by a DHEM survey that is unique to Boliden and has been an important tool in the discovery of new polymetallic mineralized zones at their Garpenberg Mine.”

Figure 1: Plan View of Proposed Drill Holes on Tomtebo Property

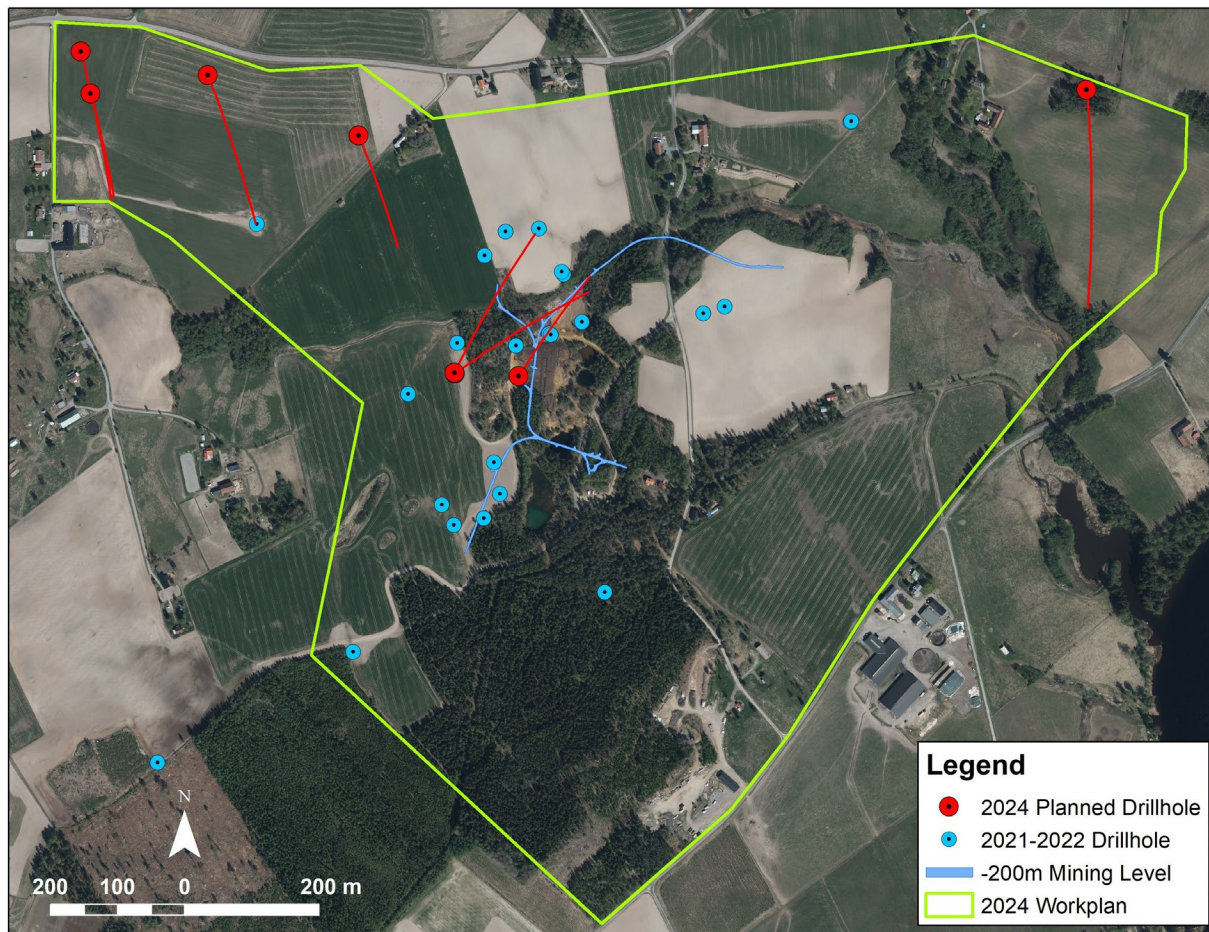
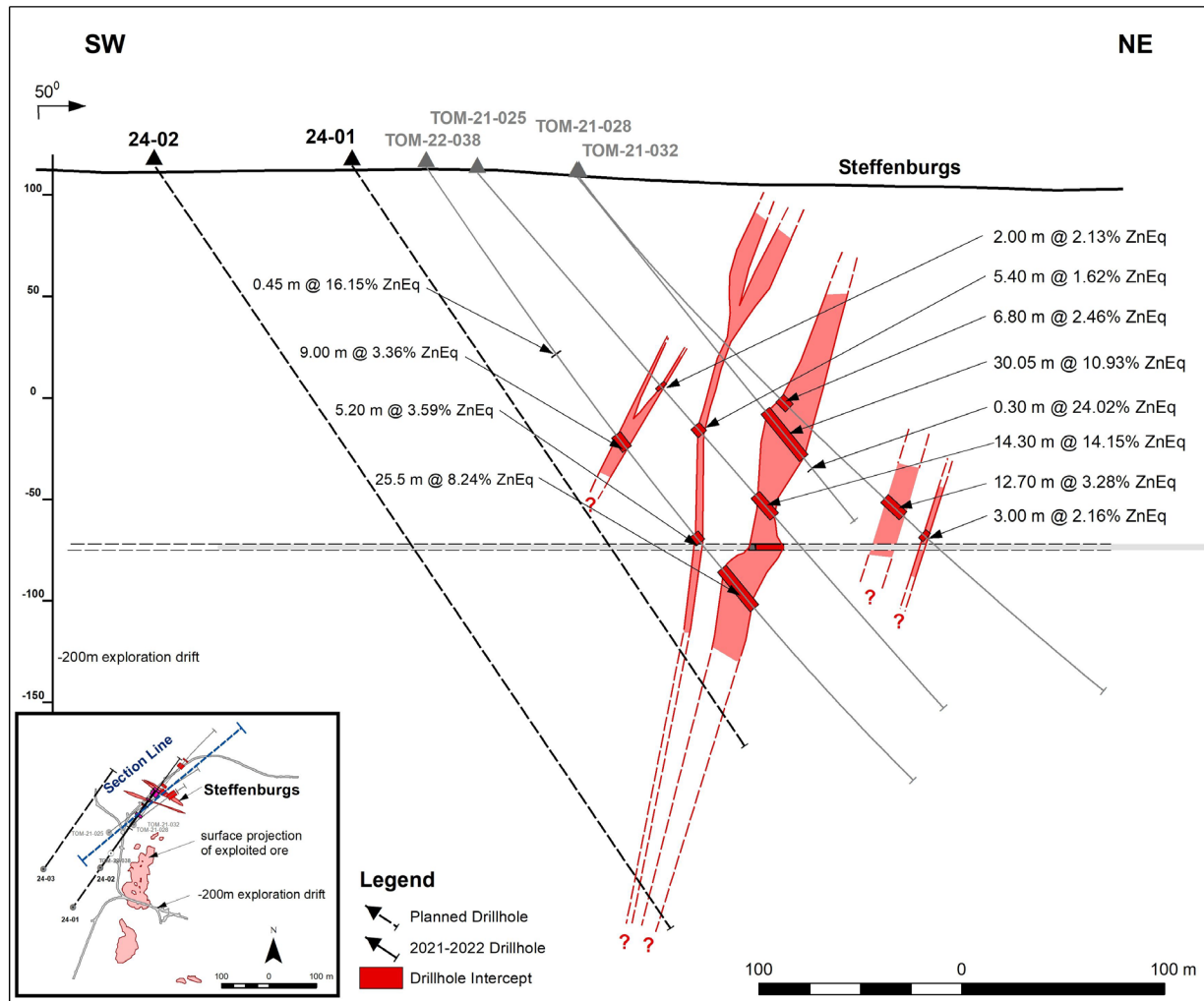


Figure 2: Cross Section of Proposed Drill Holes at Steffenburgs Zone



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. ZnEq equals = $Zn\% + (Ag \text{ g/t} \times 0.0257) + (Au \text{ g/t} \times 2.831) + (Cu\% \times 2.529) + (Pb\% \times 0.882)$. 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 from the Tomtebo Property 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 NQ-size 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.

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

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 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 Swedish properties; that the Swedish government will 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 calculate 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 cybersecurity 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.