

District Copper Corp. Sells Eaglehead Property to Copper Fox Metals Inc.'s Wholly Owned Subsidiary

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VANCOUVER, Feb. 10, 2020 - [District Copper Corp.](#) ("District Copper" or the "Company") (TSX-V: DCOP and OTC: CAXPF) is pleased to announce that it has entered into a property sales agreement with Northern Fox Copper Inc. (the "Purchaser"), a wholly owned subsidiary of [Copper Fox Metals Inc.](#) (TSX-V:CUU-OTC: CPFXF) pursuant to which District Copper has agreed to sell to the Purchaser all of its right, title and interest in and to 6 contiguous mineral claims covering approximately 15,956 hectares of lands located in the Liard Mining Division of northern British Columbia and historically referred to by District Copper as the Eaglehead Property. The sale is subject to the reservation for the benefit of District Copper of a 0.5% net smelter return royalty on future production if any.

The consideration due and payable to District Copper for the Eaglehead Property is the total sum of \$1,200,000 plus the assumption by the Purchaser of reclamation bonds in the amount of \$212,000 deposited by District Copper with the Ministry of Mines.

Under the terms of the agreement, the Purchaser has paid a non-refundable deposit of \$50,000 on signing. An additional \$150,000 will be paid at Closing and the balance of the purchase price in the amount of \$1,000,000 will be payable in three annual installments of \$340,000, \$330,000 and \$330,000 respectively on each anniversary following Closing.

The unpaid portion of the purchase price being \$1,000,000 is guaranteed by Copper Fox and is to be secured by a general security agreement to be registered against the assets and undertaking of Northern Fox. The assets of Northern Fox include 33,283,264 common shares of District Copper.

The disposition of the Eaglehead Property will by definition and under TSX Policies be considered a non-arm's length transaction as Northern Fox currently owns 24.40% of the issued and outstanding shares of District Copper. Northern Fox has also prior to the date of the sale agreement had representation on the Board of Directors of District Copper.

In arriving at suitable terms for the disposition, District Copper reviewed the current National Instrument 43-101 Report on the Eaglehead Property (as amended and restated) which was filed by District Copper on Sedar on December 12, 2019. District Copper also considered the Comprehensive Valuation Report on the Eaglehead Property which was prepared by Evans & Evans LLP and delivered to the Company in a report dated November 25, 2019. The Comprehensive Valuation Report examined three different approaches to placing a value on the property following which they arrived at the following, *"In understanding the (various) valuation approaches for the project, … it is reasonable for Evans & Evans to outline that the fair market value of 100% of the Project as at the Valuation Date is in the range of \$1,215,000 to \$1,655,000."*

The Comprehensive Valuation Report has been pre-filed with the TSX Venture Exchange. The disposition will be subject to prior TSX Venture Exchange approval and such other conditions as may be imposed on District Copper and the Purchaser as the rules and policies of the Exchange apply to a non-arm's length transaction.

Prior to Board approval and execution of the property sales agreement, Elmer Stewart and Michael Smith, Northern Fox's representatives on the Board of Directors of District Copper, resigned from the Board of Directors of District Copper.

Future Plans

On August 15, 2018, District Copper announced that it had acquired an interest in a 13,025 ha land package known as the Stoney Lake East Gold Project located in the Stoney Lake area in the province of Newfoundland. Since that acquisition, District Copper has been focused on developing the Stoney Lake Property. District Copper did not spend any funds on the Eaglehead Property in 2019 as its corporate direction changed to the precious metals sector.

The disposition of the Eaglehead Property for gross proceeds of \$1,412,000 (of which \$212,000 is a reimbursement of a reclamation bond posted by District Copper) will provide District Copper with immediate available cash for the further development of the Stoney Lake Property in 2020.

About District Copper

District Copper is a Canadian company previously engaged in exploration for porphyry copper-gold-molybdenum deposits in northwestern British Columbia and since 2018 in the exploration of the Stoney Lake property in Newfoundland.

For further information, please visit the website at www.districtcoppercorp.com to view the Company's profile or contact Jevin Werbes at 604-620-7737.

Jevin Werbes, President & CEO

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This news release does not constitute an offer to sell or a solicitation of an offer to sell any of the securities described herein in the United States. The securities described in this news release have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States or to U.S. Persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This news release is not for distribution in the United States or over United States newswires.

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Information contained in this news release, including information as to strategy, projects, plans or future financial or operating performance and other statements that express management's expectations or estimates of future performance, constitute "forward looking statements". Actual results may differ materially from those indicated by such statements. All statements, other than historical fact, included herein, including, without limitations statements regarding future production, are forward-looking statements that involve various risks and uncertainties. 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. Forward-looking information in this news release includes, but is not limited to, statements about the exploration program at the Stony Lake project.

A more complete discussion of the risks and uncertainties facing District Copper is disclosed in District Copper's continuous disclosure filings with Canadian securities regulatory authorities at www.sedar.com. All forward-looking information herein is qualified in its entirety by this cautionary statement, and District Copper disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.

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