District Metals Corp. Commences Ground Gravity Survey over the Tomtebo Mine Trend

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VANCOUVER, Dec. 9, 2020 - District Metals Corp. (TSXV: DMX) (FRA: DFPP); ("District" or the "Company") is pleased to announce that a ground gravity survey has commenced on the Tomtebo Property located in the Bergslagen Mining District in south-central Sweden. This gravity survey is focused on the Tomtebo Mine Trend (Figure 1) that was delineated by numerous conductive and magnetic high anomalies identified from the July 2020 SkyTEM survey.

Garrett Ainsworth, CEO of District, commented: "We continue to follow our approach of systematic modern exploration at the Tomtebo Property with the commencement of a ground gravity survey over the Tomtebo Mine Trend. This is the first time Tomtebo has ever seen a ground gravity survey, which is surprising given its proven effectiveness in identifying significant massive sulphide deposits within other districts. The large density differential between the surrounding host felsic volcanic rocks, and targeted massive sulphide mineralization on Tomtebo offers another important layer of geophysical data that we will utilize to prioritize drilling within the Tomtebo Mine Trend."

The ground gravity survey area will cover 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 will total approximately 400 gravity stations. GeoVista AB in collaboration with GeoPartner Ltd. are utilizing a two-person geophysical crew for the ground gravity survey. The crew will be carrying a Scintrex CG-6 gravity reader, and a Trimble R12 RTK GPS device capable of locating the XYZ-location of each survey station with centimeter accuracy.

Volcanic Massive Sulphide (VMS) or Sedimentary Exhalative (SedEx) targets are often greatly enhanced by gravity survey data, which generally follows other geophysical (magnetic, electrical, or electromagnetic) and geochemical surveys. Gravity data is used to detect the excess mass of a potential massive sulphide deposit as well as estimating its potential size and tonnage. Here are some examples of where gravity surveys have detected significant VMS or SedEx deposits or extensions:

- Las Cruces VMS Deposit in the Iberian Pyrite Belt, which is hosted in siliciclastic-felsic rock was discovered by a regional gravity survey that indicated an extension of the Pyrite Belt lithologies beneath 120 m of cover.
- Lagoa Salgada VMS Deposit in the Iberian Pyrite Belt was discovered through gravity due to the relatively dense ore body that is hosted in a much less dense volcaniclastic-sedimentary host rock. This deposit is covered by a 128 m thick cover of Tertiary strata and is associated with a 15 m thick gossan.
- Greens Creek VMS Deposit in Alaska where ground gravity data confirmed the extension of the mined ore body at depth and provided valuable information for exploration drilling. The survey area is characterized by very steep topography, muskeg, and poor topographic information, which is not the case on the Tomtebo Property.
- Macmillan Pass SedEx Project in the Yukon recently utilized ground gravity that identified gravity high anomalies. Drill testing of these gravity high anomalies returned wide zones of massive sulphide (sphalerite-galena-pyrite) mineralization.
- Tambogrande VMS System in northwest Peru utilized ground gravity in 1999 that produced significant anomalies. Drill testing of these gravity anomalies resulted in the discovery of the TG3 and B5 Deposits, and increased mineral resources of the TG1 Deposit.
- Bisha VMS Deposit in Eritrea showed as two gravity high anomalies in 2003.
- Emba Derho Deposit in Eritrea showed as one gravity high anomaly in 2005.
- VMS deposits in the Bathurst Mining Camp have been targeted with the use of gravity survey data, which has been especially effective where mineralization is often dominated by non-conductive zinc sulphides (sphalerite).

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 specific gravity values in marked contrast to lower specific gravity values measured in their sedimentary and volcanic host rocks. Massive sulphide mineral density ranges from 4.0 to 7.5 g/cm^3 while the felsic volcanic host rock ranges from 2.6 to 2.8 g/cm^3. Gravity high anomalies 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. Exploration drilling should be prioritized in areas that exhibit at least two coincident anomalies of conductivity, magnetics, or gravimetry.

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, located in the Bergslagen Mining District of south-central Sweden, is the Company's main focus. The Tomtebo Property comprises 5,144 ha, and is situated between the historic Falun Mine and Boliden's Garpenberg Mine 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 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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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.

SOURCE District Metals Corp.

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