

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1 Name and Address of Company

District Metals Corp. (“DMX” or the “Company”)
907-1030 West Georgia Street
Vancouver, British Columbia V6E 2Y3

Item 2 Date of Material Change

August 25, 2025

Item 3 News Release

DMX disseminated a new release in respect of the material change referred to in this report on August 25, 2025 via Newsfile Corp. The news release was subsequently filed on the Company’s SEDAR+ profile.

Item 4 Summary of Material Change

DMX announced that the Company received notice from Boliden Mineral AB (“**Boliden**”) of its decision to terminate the earn-in and option agreement dated October 27, 2023 (the “**Option Agreement**”) on the Tomtebo and Stollberg properties.

Item 5 Full Description of Material Change

DMX announced that the Company received notice from Boliden of its decision to terminate the Option Agreement on the Tomtebo and Stollberg properties.

Under the terms of the Option Agreement, Boliden had been granted the right to earn up to an 85% interest in the Tomtebo property (the “**Earn-In Option**”). In order to exercise the Earn-In Option, Boliden was required to incur exploration expenditures totaling CDN\$10,000,000 on the Tomtebo property and Stollberg property through October 31, 2027. Following exercise of the Earn-In Option, the Tomtebo property was to be contributed to a joint venture along with Boliden’s Stollberg property, pursuant to which DMX would hold a 15% interest in the joint venture.

As a result of Boliden’s termination of the Option Agreement, the Company will retain a 100% in the Tomtebo property, and Boliden will retain a 100% interest in the Stollberg property.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

N/A

Item 7 Omitted Information

N/A

Item 8 Executive Officer

Garrett Ainsworth
Chief Executive Officer
(604) 288-4430
info@districtmetals.com

Item 9 Date of Report

September 3, 2025

Cautionary Statement Regarding Forward-Looking Information

This material change report 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 material change report relating to the Company include, among other things, statements relating to the results of exploration and drilling and interpretations thereof, and future exploration; the Company’s Swedish polymetallic 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 material change report, including, without limitation the reliability of exploration and drill results; reliability of data and the accuracy of publicly reported information regarding current, 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; stability in financial and capital markets; the Company’s ability to complete its planned exploration programs; the absence of adverse conditions at mineral properties; no unforeseen operational delays; no material delays in obtaining necessary permits; the price of metals remaining at levels that render mineral properties economic; and the ability to realize on the mineral resource estimates.

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 the Company’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 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 for the fiscal year ended June 30, 2021, 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 material change report, and the Company assumes no obligation to publicly update or revise such forward-looking information, except as required by applicable securities laws.