



District Announces Promising Water Treatment Results from Collaboration with Xoma AB

Vancouver, B.C.

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May 19, 2026 – District Metals Corp. (TSX-V: DMX) (Nasdaq First North: DMXSE SDB) (OTCQX: DMXCF) (FRA: DFPP); (“District” or the “Company”) is pleased to report highly encouraging results from collaboration with Swedish water treatment innovator Xoma AB. The joint initiative is focused on advancing effective solutions for the purification of water impacted by metal leaching from mineralized Alum Shale recovered from the Viken Property located in Jämtland County, central Sweden.

The collaboration underscores District’s commitment to working with Swedish-based partners and supporting domestic innovation as the Company advances its mineral projects in Sweden. By leveraging Swedish engineering expertise and environmental technology developed specifically for Nordic operating conditions, District aims to create robust solutions that meet or exceed environmental standards and regulations for all of its mineral projects in Sweden.

Preliminary testing evaluated a stepwise microalgae-based purification process using water mixed with mineralized Alum Shale (leachate) designed to replicate conditions associated with natural Alum Shale weathering. Under certain environmental conditions Alum Shale has potential to mobilize metals into water.

District notes that Boliden Mineral AB and Xoma AB started collaborating in May 2025 on the evaluation and pilot deployment of Xoma’s FLOW water-treatment technology at Boliden’s Rönnskär smelter operation in Sweden.

Strong Performance from Microalgae Treatment

The initial study compared leachate against water treated through one, two, and three sequential purification steps, using both single and double doses of microalgae biomass.

Results demonstrated a consistent and substantial reduction in key metal concentrations across all treatment stages. Notably, when a double algae dose was applied, drinking water quality thresholds for central parameters were achieved after just one treatment step for nickel and uranium as shown below in Table 1.

Table 1 - Swedish Drinking Water Standards vs. Double Algae Dose Water Results

Metal	Maximum Limit for Drinking Water	Leachate (µg/L)	Step 1 (µg/L)	Sep 2 (µg/L)	Step 3 (µg/L)	Comment
Arsenic (As)	10 µg/L	1.7	1.3	0.54	0.44	Strict health-based limit
Antimony (Sb)	10 µg/L	1.9	1.1	0.51	0.47	Threshold as not potable
Lead (Pb)	10 µg/L	2.0	0.11	0.32	0.47	Further tightening by EU in progress
Nickel (Ni)	20 µg/L	140	14	7.5	5.5	Common in groundwater/bedrock
Cadmium (Cd)	5 µg/L	0.15	0.021	0.061	0.079	Deleterious metal that bioaccumulates
Chromium (Cr)	25 µg/L	0.45	1.1	0.47	0.4	Applies to total chromium
Selenium (Se)	10 µg/L	<1.0	<1.0	<1.0	<1.0	Deleterious metal that is regulated
Uranium (U)	30 µg/L	59	13	4.8	3.8	Based on radiological & chemical toxicity guidance
Vanadium (V)	21 µg/L (indicator)	7.7	1.1	0.47	0.4	No binding limit in Swedish regulations
Aluminium (Al)	~200 µg/L (indicator)	240	71	70	71	Mostly aesthetic/operational

Note: Drinking water standards are set by the Swedish Food Agency, LIVSFS 2022:3, that are aligned with the EU Drinking Water Directive

These findings indicate that the treatment process is both effective and responsive, with increased biomass yielding improved purification efficiency and a stronger safety margin.

Scalable and Controllable Solution

The results confirm that microalgae-based treatment offers a controllable and scalable method for reducing metal concentrations in water. While single-dose treatments delivered strong performance, the enhanced results from double dosing suggest the process is capacity-driven, providing valuable insights for optimization and future design.

Next Steps

Based on these positive outcomes, District and Xoma will look to advance additional testing as the Viken Deposit is developed. Future work may include:

- Increased sample replication
- Testing across varied water chemistries
- Monitoring operational parameters such as biomass and treatment duration
- Simulating continuous-flow systems to support scalability

These efforts are expected to further refine the process and support its transition toward a real-world application.

Commitment to Sustainable Innovation

Garrett Ainsworth, CEO of District, commented: “Water stewardship is a central pillar of how we advance our projects, and these results represent a meaningful step forward. We are truly grateful to the team at Xoma AB for their expertise, innovation, and strong collaboration throughout this work. Working together with a Swedish technology company such as Xoma AB is particularly meaningful for us as we advance a Swedish project. We strongly believe that local collaboration, innovation, and expertise will play an important role in shaping responsible resource development in Sweden.

The impressive performance of their microalgae-based treatment with achieving key drinking water thresholds at an early stage highlights the potential for a practical, scalable, and environmentally responsible solution. As we continue to advance the Viken Deposit, partnerships like this are essential and reinforce our commitment to integrating leading-edge technologies that support both responsible mineral resource development and environmental protection.”

Mourad Lahdo, CEO of Xoma AB, commented: “I would like to express my sincere thanks to District Metals for their driven initiative and constructive participation in the project. Their ambition to develop safe, sustainable and circular extraction of uranium and critical metals from Swedish alum shale deposits, with Swedish innovation at its core, is inspiring and well in line with Xoma's vision of environmentally friendly solutions for water treatment.”

Technical Information

All scientific and technical information in this news release has been prepared by, or approved by Garrett Ainsworth, P.Geol., 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* (“**NI 43-101**”).

All tests have been performed by Xoma AB and independently analyzed by a third-party laboratory (SGS Analytics Sweden) according to standard SS-EN ISO 17294-2:2023. The test water was prepared by adding 40 g of crushed Alum Shale to a 20-litre water container. The container was shaken once per day for 7 days to allow the Alum Shale to leach metals into the water. The resulting water was used as leachate water in all purification tests. The

prepared leachate water was treated with microalgae in sequential steps. Two dose levels were evaluated: a single algae dose and a double algae dose. Each dose level was tested over one, two, and three treatment steps, allowing the stepwise effect of both biomass quantity and repeated treatment to be assessed. Water samples were collected after each step and analyzed by SGS Analytics in Sweden according to SS-EN ISO 17294-2:2023.

The analysis by SGS Analytics was performed using ICP-MS (Inductively Coupled Plasma – Mass Spectrometry). This method involves introducing the water sample into a high-temperature plasma (~8,000°C), which ionizes the elements. The ions are then separated and quantified using a mass spectrometer. ICP-MS is highly sensitive and capable of detecting trace element concentrations at the µg/L (microgram per litre) level. The following elements were analyzed: Aluminum (Al), Antimony (Sb), Arsenic (As), Cadmium (Cd), Chromium (Cr), Lead (Pb), Nickel (Ni), Selenium (Se), Uranium (U), and Vanadium (V).

Mr. Ainsworth has not verified any of the information regarding any of the properties or projects referred to herein other than the Viken Property. Mineralization on any other property referred to herein is not necessarily indicative of mineralization on the Viken Property.

About Xoma

Xoma has developed FLOW, a groundbreaking solution for industrial water purification. FLOW harnesses the power of microalgae to remove contaminants and heavy metals from process water, giving industries a cost-effective and environmentally friendly alternative. FLOW uses microalgae-based filtration to effectively remove pollutants such as copper, zinc, lead, and other harmful substances from industrial wastewater.

Xoma has also developed CLAS (Closed Loop Aquaculture System), which provides a sustainable and efficient method for cultivating algae. This system significantly reduces water and energy consumption compared to traditional cultivation methods and can be scaled up to meet the growing demand for sustainable food.

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 2025 TSX Venture 50 company, ranking among the top-performing issuers on the TSX Venture Exchange in the past year.

District is a uranium polymetallic exploration and development company focused on its flagship Viken Property in Sweden. The Viken Property covers 100% of the Viken Energy Metals Deposit, which contains the largest undeveloped Mineral Resource Estimate of uranium in the world¹ along with significant Mineral Resource Estimates of vanadium, molybdenum, nickel, copper, zinc, and other important and critical raw materials.

For further information on the Viken Property, please see the technical report entitled “NI 43-101 Updated Mineral Resource Estimate and Technical Report on the Viken Energy Metals Project, Jämtland County, Sweden” dated effective April 25, 2025, which is available on SEDAR+ at www.sedarplus.ca.

On Behalf of the Board of Directors

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Neither the 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 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 uranium and Alum Shale mining regulation in Sweden.

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, 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; uranium and Alum Shale exploration and mining regulation 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.

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 uncertainty of whether the Viken Deposit will be designated a deposit of national interest; the results of the inquiry into the mining of Alum Shale in Sweden and the possibility that it will be the subject of a municipal veto; the reliability of historic data on District’s properties; the Company’s ability to raise sufficient capital to finance planned exploration; 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 cyber-security risks; and risk related to the outbreak of epidemics or pandemics or other health crises. 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.

ⁱ S&P Global Market Intelligence - Market Intelligence Research