Management Discussion and Analysis
For the Years Ended June 30, 2026 and 2025

This management's discussion and analysis ("MD&A") is provided to enable the reader to assess the financial condition and results of operations of District Metals Corp. (the "Company", "District" or "District Metals") for the year ended June 30, 2026. This MD&A should be read in conjunction with the Company's consolidated financial statements for the years ended June 30, 2026 and 2025, prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS"). This MD&A complements and supplements but does not form part of the Company's consolidated financial statements.

This MD&A contains forward-looking information. In particular, statements regarding the adequacy of cash resources to carry out the Company's exploration programs, plans for additional exploration and the possible results of an inquiry into the mining of alum shales in Sweden are forward-looking information. All forward-looking information, including those not specifically identified herein, are made subject to cautionary language on page 15. Readers are advised to refer to the cautionary language when reading any forward-looking information.

All dollar amounts contained herein are expressed in Canadian dollars unless otherwise indicated. This MD&A has been prepared as of September 24, 2026.

BUSINESS OVERVIEW

The Company was incorporated under the *Business Corporations Act* (Alberta) on July 24, 1989, and continued into the Province of British Columbia on March 31, 2006. On July 17, 2019, the Company changed its name to District Metals Corp. The Company is listed on the TSX Venture Exchange (the "Exchange") under the trading symbol "DMX", on the Frankfurt Stock Exchange under the symbol "DFPP" and on the United States OTCQX under the symbol "DMXCF". On January 23, 2025, the Company's depository receipts began trading on Nasdaq First North Growth Market under the symbol "DMXSE SDB". On November 12, 2025, the Company's common shares were upgraded to the OTCQX Market from the OTCQB Market in the United States. The Company has two wholly-owned subsidiaries incorporated under the laws of Sweden, District Metals AB and Bergslagen Metals AB.

The Company is a uranium polymetallic exploration company focused on its flagship Viken Property in Sweden. The Viken deposit is a polymetallic alum shale resource contained within the Cambrian Viken Shale. Alum shale is a host rock that contains uranium and other important and critical raw materials such as vanadium, potash, molybdenum, nickel, copper, zinc and rare earth elements.

The Company's ability to continue its operations in the longer term is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the future. The Company's ability to raise additional funds is affected by numerous factors outside the Company's control, including in particular, the global economy and uranium mining regulation in Sweden, including specifically whether mining of alum shale will be subject to additional regulation. The global economy is currently characterized by increased volatility arising in part from international trade disputes, including tariffs, constrained GDP growth and geo-political risk in Europe and the Middle East.

Further, the Company's funding requirements may vary from those planned due to a number of factors, including the acquisition of new projects and increased costs. There is no guarantee that the Company will be able to secure additional sources of financing in the future at terms that are favourable, or at all.

A summary of the expenditures incurred on the Company's properties during the years ended June 30, 2026 and 2025 are as follows:

	Tomtebo Property	Viken Property	Gruvberget Property	Bakar Property	Svärdsjö Property	Alum Shale Properties	Other Properties	Total
Acquisition Costs								
Balance, June 30, 2024	$ 1,721,205	$ 412,375	$ 302,450	$ 32,051	$ -	$ 193,074	$ 40,451	$ 2,701,606
Additions	-	197,500	-	-	-	-	-	197,500
Balance, June 30, 2025	$ 1,721,205	$ 609,875	$ 302,450	$ 32,051	$ -	$ 193,074	$ 40,451	$ 2,899,106
Additions	-	4,256,751	-	-	-	259,639	120,540	4,636,930
Disposals	-	-	-	(32,051)	-	-	-	(32,051)
Impairment	-	-	(302,450)	-	-	-	-	(302,450)
Balance, June 30, 2026	**$ 1,721,205**	**$ 4,866,626**	**$ -**	**$ -**	**$ -**	**$ 452,713**	**$ 160,991**	**$ 7,201,535**
Deferred Exploration Costs								
Balance, June 30, 2024	$ 4,013,594	$ 31,092	$ 603,648	$ 115,337	$ -	$ 50,204	$ 32,536	$ 4,846,411
Consulting	362,160	780,516	87	1,425	1,335	353,992	14,957	1,514,472
Geochemistry	27,217	407	-	-	-	-	-	27,624
Drilling	646,190	-	-	-	-	-	-	646,190
Other costs	121,453	5,747	-	150	67	6,334	-	133,751
Cost recovery	(1,157,020)	-	-	-	-	-	-	(1,157,020)
Impairment	-	-	-	-	(1,402)	-	-	(1,402)
Balance, June 30, 2025	$ 4,013,594	$ 817,762	$ 603,735	$ 116,912	$ -	$ 410,530	$ 47,493	$ 6,010,026
Consulting	131,991	635,582	-	-	-	845,365	798,676	2,411,614
Geochemistry	32,953	-	-	-	-	-	12,858	45,811
Drilling	29,270	944	-	-	-	160,193	905	191,312
Other costs	121,556	61,468	-	-	-	23,584	12,397	219,005
Assets disposal	-	-	-	(116,912)	-	-	-	(116,912)
Cost recovery	(245,243)	-	-	-	-	-	-	(245,243)
Impairment	-	-	(603,735)	-	-	-	-	(603,735)
Balance, June 30, 2026	**$ 4,084,121**	**$ 1,515,756**	**$ -**	**$ -**	**$ -**	**$ 1,439,672**	**$ 872,329**	**$ 7,911,878**
Balance, June 30, 2025	$ 5,734,799	$ 1,427,637	$ 906,185	$ 148,963	$ -	$ 603,604	$ 87,944	$ 8,909,132
Balance, June 30, 2026	**$ 5,805,326**	**$ 6,382,382**	**$ -**	**$ -**	**$ -**	**$ 1,892,385**	**$ 1,033,320**	**$ 15,113,413**

Tomtebo Property, Sweden

The Tomtebo property is located in the Bergslagen Mining District of South Central Sweden. It comprises 5,144 ha.

On October 27, 2023, the Company entered into a mineral property earn-in and option agreement (the “Earn-In Agreement”) with Boliden Mineral AB (“Boliden”) pursuant to which the Company, through District Metals AB, granted Boliden a right and option to acquire an 85% interest in the mineral claims comprising the Company’s Tomtebo Property (the “Option”).

From early February to late April 2025, pursuant to the Earn-In Agreement, a total of 2,485 m were drilled in five holes at the Steffenburgs zone within the historic Tomtebo Mine area and at Kvistaberget, a prospective target located 5 km northeast of the historic Tomtebo Mine area within the Tomtebo Property. Assay results from this drill program were announced in July 2025.

On August 25, 2025, the Company received notice from Boliden of its decision to terminate the Earn-In Agreement. Pursuant to the terms of the Earn-In Agreement, Boliden was required to leave the Tomtebo Property in good standing until the end of the 90-day termination notice period and will fulfill all contractual obligations.

On October 8, 2025 the Company received an advance payment from Boliden in the amount of $300,000 pursuant to the Earn-In Agreement for costs associated with the wind down of activities at Tomtebo and Stollberg.

The Company concluded activities under the Earn-In Agreement with Boliden during the year ended June 30, 2026. A final reconciliation between the Company and Boliden resulted in a final receivable balance of $7,262 as of June 30, 2026.

The Company acted as the operator during the Option stage and as consideration earned a 7.5% fee on qualifying expenditures under the Earn-In Agreement. During the year ended June 30, 2026, the Company earned an operator fee of $17,695 (2025 - $181,852).

Viken Property, Sweden

From April 2023 to January 2024, Bergslagen Metals AB consolidated 100% of the Viken deposit located in Jämtland County, central Sweden through a combination of mineral license applications and acquisitions (the “Viken Property”). The Viken Property currently totals 37,211 hectares (ha) and is a polymetallic alum shale resource contained within the Cambrian Viken Shale.

On January 15, 2024, the Company acquired the four mineral licenses covering the Viken deposit (Norra Leden, Norr Viken, Lill Viken and Storviken) from an individual vendor (the ”Viken Extension Agreement”). A summary of the principal terms of the acquisition are as follows:

- $50,000 cash paid to the vendor on closing (paid).
- $50,000 cash payable to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted (paid).
- 1,000,000 District Metals shares issued to the vendor on closing (issued January 15, 2024 with a fair value of $250,000).
- 3,500,000 District Metals shares to be issued to the vendor within 30 days following the moratorium on uranium exploration and mining in Sweden being lifted (issued January 22, 2026 with a fair value of $4,165,000). These District Metals shares are subject to a voluntary lock-up pursuant to which 1,000,000 shares will be released four months after issuance, 500,000 shares will be released six months after issuance, 1,000,000 shares will be released twelve months after issuance and 1,000,000 shares will be released 18 months after issuance.
- A 2% NSR royalty granted to the vendor on closing that can be repurchased by the Company (i) in its entirety at any time for a value of $8,000,000 or (ii) in respect of the first 1%, for $2,000,000 (the ”Viken NSR”).

On January 31, 2025, the Company acquired the Viken NSR for a purchase price consisting of 500,000 common shares of the Company (the “Viken NSR Consideration Shares”) to the vendor. As a result, the Viken Property is free of any NSR Royalty.

On June 13, 2025, the Company filed a technical report prepared in accordance with National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* (“NI 43-101”) for an updated mineral resource estimate on the Viken deposit.

On June 24, 2025, the Company conducted a helicopter-borne Mobile MagnetoTellurics System ("MobileMT") survey in two phases. Phase 1 captured the conductive signature of the mineralized alum shale host rock that makes up the Viken Energy Metals Deposit and phase 2 was flown over the remainder of the Viken Property, with the objective of identifying additional conductive signatures of interest for follow up drilling.

On September 24, 2025, the Company announced the completion of the interpretation of the MobileMT data. District intends to leverage the MobileMT signature of alum shales to prioritize target areas outside of the Viken MRE.

On May 19, 2026, District announced positive results on a joint initiative with Xoma AB (”Xoma”), a Swedish water treatment company, focused on advancing effective solutions for the purification of water impacted by metal leaching from mineralized alum shale. Preliminary testing evaluated a stepwise microalgae-based purification process using water mixed with mineralized alum shale (leachate) recovered from the Viken Property designed to replicate conditions associated with natural alum shale weathering. Under certain environmental conditions alum shale has potential to mobilize metals into water. 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. District and Xoma have agreed to conduct additional testing as the Viken Property is developed.

On July 17, 2026, the Company filed a technical report titled “Preliminary Economic Assessment on the Viken Energy Metals Project, Jämtland County, Sweden” dated July 17, 2026, with an effective date of June 26, 2026 (the “Viken Report”). The Viken Report details a preliminary economic assessment (“PEA”) with the following highlights:

After-Tax Net Present Value (NPV_8)	US$2.88 billion
Initial Capital Costs (CAPEX)	US$876 million
Internal Rate of Return (IRR)	45.9%
Average Annual After-Tax Free Cash Flow (Life of Mine)[1]	US$531 million
Payback Period	2.1 years
Uranium Average Annual Production	3.3 million lbs U_3O_8
Vanadium Average Annual Production	16 million lbs V_2O_5
Vanadium Electrolyte (V Electrolyte) Average Annual Production	37 million L V Electrolyte
Ferrovanadium (FeV) Average Annual Production	6 million kg FeV
Sulphate of Potash (SOP) Average Annual Production	250,000 t SOP
Life of Mine (LOM) Production	13 years
Average Unit Operating Cost of U_3O_8 (net of by-product credits)	(-) US$121/lb U_3O_8
Uranium Price Assumption	US$85/lb U_3O_8
Vanadium Price Assumption (35% vanadium electrolyte at $9/L, 65% FeV at $38/kg)	US$15.7/lb V_2O_5
SOP Price Assumption	US$650/t SOP
State Mineral Fee Paid to Landowners (0.15% for LOM)	US$22 million
State Mineral Fee Paid to Sweden (0.05% for LOM)	US$7 million
Corporate Taxes Paid to Sweden (20.6% for LOM)	US$1.6 billion

The PEA outlines total life of mine production of 127 million tonnes sourced from within the Viken Property mineral resource estimate, with the mine plan (process plant feed) including approximately 77% of the indicated mineral resources and 23% of the inferred mineral resources. The PEA is preliminary in nature, and it includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied that would enable them to be classified as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources are not mineral reserves and do not have demonstrated economic viability.

The Viken Property mineral resource estimate (“MRE”) for uranium oxide, vanadium oxide, potassium oxide, molybdenum, nickel and zinc is summarized below and was prepared in accordance with NI 43-101. The MRE has effective date of June 26, 2026. Additional elements reported (but not contributing to the net smelter return value) are copper, phosphorous pentoxide, cesium oxide, yttrium oxide, and lanthanum oxide. Many of these mineral resource elements are listed by the European Union (“EU”) as Critical Raw Materials. The MRE takes into account the results from a total of 122 drill holes (by previous operators between 2006 and 2012) on the Viken Property, which consists of the Viken nr 1, Norr Viken, Lill Viken, Norra Leden, and Storviken mineral licenses that are 100% owned by the Company. The spacing of the drill holes ranges from 30 to 380 metres and averages approximately 300 metres. The mineralized Alum Shale extends under the entire Viken Property and beyond its boundaries.

[1] See “*Cautionary Note Regarding Non-GAAP Financial Measures*” below.

Pit-Constrained Mineral Resource Estimate for the Viken Deposit [1-7]

	Tonnes M	U_3O_8 ppm	V_2O_5 ppm	Mo ppm	Ni ppm	Cu ppm	Zn ppm	P_2O_5 ppm	Ce_2O_3 ppm	Y_2O_3 ppm	La_2O_3 ppm	K_2O %
Indicated	456	175	2,836	257	330	113	411	2,461	88	492	7	3.84
		Mlb						**Mt**				
	Contained Metal	176	2,851	258	332	114	413	1.12	0.04	0.22	0.00	17.53
Inferred	**Tonnes M**	**U_3O_8** ppm	**V_2O_5** ppm	**Mo** ppm	**Ni** ppm	**Cu** ppm	**Zn** ppm	**P_2O_5** ppm	**Ce_2O_3** ppm	**Y_2O_3** ppm	**La_2O_3** ppm	**K_2O** %
	4,333	161	2,543	240	321	118	417	2,541	88	528	7	3.70
		Mlb						**Mt**				
	Contained Metal	1,538	24,295	2,293	3,067	1,127	3,984	11.01	0.38	2.29	0.03	160.27

Notes:

(1) *Mineral resources which are not mineral reserves do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, or other relevant issues.*

(2) *The inferred mineral resource in this MRE has a lower level of confidence than that applied to an indicated mineral resource and must not be converted to a mineral reserve. It is reasonably expected that the majority of the inferred mineral resource could be upgraded to an indicated mineral resource with continued exploration.*

(3) *The mineral resource in this MRE was estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM), CIM Standards on Mineral Resources and Reserves, Definitions (2014) and Best Practices Guidelines (2019) prepared by the CIM Standing Committee on Reserve Definitions and adopted by the CIM Council.*

(4) *The MRE was based on March 2025 approximate consensus economics forecast US$ metal prices of $72/lb U_3O_8, $5/lb V_2O_5, $17/lb Mo, $8.50/lb Ni, $4.25/lb Cu and $1.30/lb Zn with respective process recoveries of 80%, 80%, 70%, 70%, 50% and 75%.*

(5) *Overburden, waste and mineralized US$ mining costs per tonne mined were respectively $2.00, $2.50 and $3.00.*

(6) *Processing and G&A US$ costs per tonne processed were respectively $20 and $2.*

(7) *Constraining pit shell slopes were 45 degrees.*

Please see the Viken Report available under the Company's SEDAR+ profile at www.sedarplus.ca.

On July 22, 2026, the Company announced results of an independent Economic Impact Study for the Viken deposit. Based on the Phase 1 development scenario evaluated in the PEA, the study estimated a total economic contribution of approximately US$7.66 billion (SEK 74.3 billion) over the projected 13-year operating life, including approximately US$1.58 billion in corporate income taxes, support for approximately 1,065 direct and indirect jobs, and significant benefits to local communities and the Swedish economy.

Gruvberget Property, Sweden

The Gruvberget property is located approximately 230km northwest of Stockholm in Sweden and 35km northwest of the Tomtebo property. It comprises 5,286 ha.

The Company has completed all requirements to retain the Gruvberget Property. Explora Mineral AB ("Explora") retains a 2.5% NSR royalty on the Gruvberget Property (the "Gruvberget NSR"), subject to the Company's option to repurchase the entire Gruvberget NSR for $8,000,000 at any time.

During the year ended June 30, 2026, the Company determined that it would not expend any further resources on exploration activities on the Gruvberget Property. Accordingly, the Company recorded an impairment of $906,185.

Bakar Property, British Columbia

The Bakar property is located on the northwest of Vancouver Island, British Columbia approximately 40km west of Port Hardy. It comprises 15,687 ha.

On June 3, 2025, the Company entered into a definitive agreement to sell its remaining 24.48% interest in the Bakar Property to Sherpa II Holdings Corp. ("Sherpa II") for 1,500,000 common shares of Sherpa II. On November 6, 2025 the Company completed the sale of its remaining interest in the Bakar Property to Sherpa II and received 1,500,000 common shares of Sherpa II. During the year ended June 30, 2026, the Company recognized a gain on sale of the Bakar Property of $106,037.

Alum Shale Properties

The Alum Shale Properties comprise a 100% interest in certain mineral licences for Tåsjö, Malgomaj, Österkälen, Hallviken and Forsåsen covering 128,150 ha and located in the Jämtland and Västerbottens Counties, north-central Sweden.

On September 9, 2026, the Company announced that it had completed a total of 1,943 m of drilling, of which 787 m was completed at the Österkälen mineral license in seven drill holes and 1,156 m completed at the Malgomaj mineral licenses in eight drill holes. The drill program targeted prominent conductive anomalies identified by the Company's 2025 helicopter-borne MobileMT survey, which has demonstrated its effectiveness in mapping graphitic Alum Shale at the Company's Viken Property. The MobileMT anomalies targeted by drilling also coincided with soil geochemical anomalies, providing additional support for the presence of mineralized Alum Shale horizons.

The Company believes that its Alum Shale Properties are prospective for uranium.

Other Properties

Other Properties includes a 100% interest in certain mineral licenses for the following properties:

- Ardnasvarre, covering 5,963 ha located in Norrbotten County, northern Sweden;
- Sågtjärn, covering 4,282 ha located in the Jämtland and Västernorrland Counties in central Sweden; and
- Nianfors, covering 3,134 ha located in the Gävleborg County in central Sweden.

The Company believes that its Other Properties are prospective for uranium.

Regulation of Uranium Mining in Sweden

On November 5, 2025, the Swedish Parliament voted to repeal the moratorium on uranium exploration and mining in Sweden, imposed in 2018, and approved new legislation effective January 1, 2026 permitting uranium exploration and mining. Exploration and mining of uranium from Swedish deposits was made legal on January 1, 2026. This vote did not repeal the municipal veto on uranium processing.

On February 4 and 5, 2026, through the media, the Swedish Government proposed an investigation into mining of alum shales that could result in a new municipal veto on alum shale mining in Sweden and lifting the current municipal veto for uranium processing. As announced, the scope of the inquiry includes consideration of a new municipal veto for alum shale extraction, with retrospective application.

The Company looks forward to engaging constructively with regulators, local authorities, and other stakeholders to support a transparent, environmentally responsible, and commercially viable mining framework in Sweden for uranium, including alum shale.

In the meantime, the Company continues to advance its exploration plans across its portfolio of uranium properties in Sweden as announced on January 13, 2026.

On June 15, 2026 Swedish Parliament approved the legislation that streamlines the permitting framework for the extraction and processing of nuclear materials, including uranium.

ANNUAL FINANCIAL INFORMATION

The selected financial information below are derived from the Company's audited consolidated financial statements, prepared in accordance with IFRS.

	Year ended		
	June 30, 2026	June 30, 2025	June 30, 2024
Total revenue	$ -	$ -	$ -
Operating expenses	3,551,804	3,769,503	2,382,280
Other expenses (income)	589,399	(302,694)	307,474
Net loss	4,141,203	3,466,809	2,689,754
Total comprehensive loss	4,141,203	3,466,809	2,689,754
Basic and diluted loss per common share	0.02	0.03	0.02

	As at		
	June 30, 2026	June 30, 2025	June 30, 2024
Cash and cash equivalents	$ 16,187,420	$ 9,740,155	$ 5,861,955
Exploration and evaluation assets	15,113,413	8,909,132	7,548,017
Total assets	32,578,059	19,730,871	14,005,032
Current financial liabilities	816,964	801,436	1,217,457
Shareholders' equity	31,761,095	18,929,435	12,787,575

FINANCIAL REVIEW

For a discussion of the factors affecting the Company's losses see "Summary of quarterly results" and "Results of operations" below.

Results of operations

The Company incurred a loss and comprehensive loss of $4,141,203 during the year ended June 30, 2026 as compared to the net loss and comprehensive loss of $3,466,809 for the year ended June 30, 2025, an increase in loss of $674,394.

The increase in loss and comprehensive loss was primarily driven by increases in:

- Write-down of exploration and evaluation assets of $906,185, related to the write-down of the Gruvberget property in the current year; and
- Salaries and consulting fees of $765,104, largely driven by recommendations from the Compensation Report resulting in an increase of base salaries and bonuses to certain employees, consultants and board members, including compensating for a shortfall from 2025.

The increase in loss was partially offset by:

- A decrease in stock-based compensation of $826,728, as a result of stock options, RSU and DSU vesting over specific period of time comparing to the prior year grants vesting immediately;
- A decrease in professional fees of $141,844, driven largely by the timing of listing-related expenses in the prior year coinciding with the trading of the Company's depository receipts on the Nasdaq First North Growth Market in Sweden;
- A gain from the sale of Bakar property during the year ended June 30, 2026 in amount of $106,037; and
- An increase in interest and dividend income of $76,460, due to a larger balance of cash invested in interest-earning investments in the current year relative to the prior year.

Summary of quarterly results

The following table provides a summary of financial data for the Company's most recent eight quarters derived from the Company's unaudited condensed interim financial statements and audited annual consolidated financial statements:

	Quarter ended	Revenue	Loss before other income and expenses	Loss and comprehensive loss	Basic and diluted income (loss) per common share
Q4/26	June 30, 2026	$ -	$ (1,301,408)	$ (2,297,180)	$ (0.01)
Q3/26	March 31, 2026	$ -	$ (784,880)	$ (796,590)	$ (0.00)
Q2/26	December 31, 2025	$ -	$ (955,256)	$ (684,443)	$ (0.00)
Q1/26	September 30,2025	$ -	$ (510,260)	$ (362,990)	$ (0.00)
Q4/25	June 30, 2025	$ -	$ (2,097,713)	$ (1,988,916)	$ (0.03)
Q3/25	March 31, 2025	$ -	$ (447,705)	$ (322,673)	$ (0.00)
Q2/25	December 31, 2024	$ -	$ (808,951)	$ (707,052)	$ (0.01)
Q1/25	September 30, 2024	$ -	$ (522,981)	$ (448,168)	$ (0.00)

The primary factors affecting the magnitude and variations of the Company's losses are as follows:

- The Company's Q4 2026 loss was influenced by the write-down of Gruvberget of $906,185, salaries and consulting fees of $657,525 as well as stock-based compensation expense of $347,665. When normalized for these amounts, the net loss was $385,805.
- The Company's Q3 2026 loss was influenced by stock-based compensation expense of $203,387. When normalized for this amount, the net loss was $593,203.

- The Company's Q2 2026 loss was influenced by annual incentive payments of $284,034 recognized during the quarter. When normalized for this amount, the net loss was $400,409.
- The Company's Q1 2026 loss was influenced by stock-based compensation expense of $170,025. When normalized for this amount, the net loss was $192,965.
- The Company's Q4 2025 loss was influenced by stock-based compensation expense of $1,717,830. When normalized for this amount, the net loss was $271,086.
- The Company's Q3 2025 loss was influenced by increased transfer agent, regulatory, and listing fees as well as professional fees in relation to the Company's listing on the Nasdaq First North Growth Market stock exchange in Sweden during that quarter.
- The Company's Q2 2025 loss was influenced by annual incentive payments of $208,500 recognized during the quarter. When normalized for this amount, the loss was $498,552.
- An unrealized loss on investment in marketable securities of $95,000 contributed to the loss in Q1 2025.
  The Company's Q4 2024 loss was influenced by a write-down of exploration and evaluation assets related to the Company's Svärdsjö property. After normalizing for the write-down, loss was $594,433.

LIQUIDITY AND CAPITAL RESOURCES

The Company currently is not generating any revenues and incurred a loss during the year ended June 30, 2026 of $4,141,203 (2025 - $3,466,809). The Company had cash and cash equivalents at June 30, 2026 of $16,187,420 (June 30, 2025 - $9,740,155) and its current assets exceeded its currently liabilities by $16,162,788 (June 30, 2025 - $9,466,741), and believes that it has adequate resources to fund its planned exploration, evaluation and general corporate expenditures for at lease twelve months from the reporting date. Accordingly, the Company's consolidated financial statements for the year ended June 30, 2026 have been prepared on a going concern basis.

At June 30, 2026, all cash and cash equivalents were available for general use. At June 30, 2025, there was $221,343 of advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB, which were included in cash and cash equivalents and were not available for general use. The Company had sufficient cash to meet its current liabilities as at June 30, 2026. The Company assessed its liquidity risk as low as at June 30, 2026 and 2025.

On May 12, 2026, the Company closed a non-brokered private placement financing under the Listed Issuer Financing Exemption, whereby the Company raised $10,000,000 through the sale of 14,705,882 common shares at $0.68 per share (the "May 2026 Financing"). The Company paid a finder's fee of $491,460 in connection with the financing and incurred other share issuance costs of $85,545 in connection with the May 2026 Financing.

During the year ended June 30, 2026, 6,507,000 share purchase warrants were exercised at an exercise price of $0.30 and $0.20 for gross proceeds of $1,712,850.

During the year ended June 30, 2026, 62,281 compensation options were exercised at an exercise price of $0.15 for aggregate gross proceeds of $9,341. Accordingly, the Company reclassified $9,279 from reserves to share capital.

During the year ended June 30, 2026, 2,422,500 stock options were exercised for aggregate gross proceeds of $917,700. The Company issued 2,351,877 common shares pursuant to the option exercises and reclassified $831,078 from reserves to share capital.

During the year ended June 30, 2026, 308,333 restricted share units vested. The Company issued 154,167 common shares pursuant to the RSU vesting, with the remainder applied to withholding taxes.

On May 21, 2025, the Company closed a non-brokered private placement financing under the Listed Issuer Financing Exemption, whereby the Company raised $6,000,000 through the sale of 22,222,221 common shares at $0.27 per share (the "May 2025 Financing"). The Company paid a finder's fee of $300,000 in connection with the May 2025 Financing and incurred other share issuance costs of $117,145.

The tables below summarize the expected use of proceeds and the actual use of proceeds from the May 2025 and May 2026 Financing:

May 2025 Financing	Expected Use of Proceeds	Actual Use of Proceeds to Date	Variance
Airborne geophysical surveys at Viken Property (1)	$825,000	$487,700	$337,300
Airborne geophysical surveys at Alum Shale Properties (2)	$2,400,000	$2,400,00	$Nil
Complete NI 43-101 technical report in progress at Viken Property (2)	$70,000	$66,700	$3,300
Complete the ongoing drilling program at the Tomtebo Property (3)	$890,000	$675,500	$214,500
Complete the planned drilling program at the Stollberg property (3)	$1,460,000	$Nil	$1,460,000
General corporate purposes (1)	$1,860,000	1,860,000	$Nil
Total	**$7,505,000**	**$5,489,900**	**$2,015,100**

Notes:

(1) The difference between the funds raised and the amount spent primarily reflects the timing of the financing, which was completed late in the fourth quarter of 2025, as well as the phased nature of exploration activities and related expenditures. The remaining proceeds continue to be allocated toward ongoing exploration programs and general working capital requirements.

(2) This program was completed, and the use of proceeds was largely consistent with management's expectation.

(3) This drilling program was cancelled following Boliden's termination of the Option Agreement. Boliden retained 100% interest in the Stollberg Property and the Company retained 100% interest in the Tomtebo Property.

May 2026 Financing	Expected Use of Proceeds	Actual Use of Proceeds to Date	Variance (1)
Complete NI 43-101 technical report in progress at Viken Property	$325,000	$325,000	$Nil
Complete economic impact study at Viken Property	$125,000	$100,313	$26,687
Drilling of geophysical targets at the Viken Property and alum shale properties	$2,100,000	$162,042	$1,937,958
Airborne geophysical surveys at alum shale properties	$335,000	$335,000	$Nil
Follow-up fieldwork programs at Ardnasvarre, Sågtjärn, and Nianfors properties	$400,000	$11,157	$388,843
Mineral license renewals and permitting	$705,000	$282,638	$422,362
Community relations	$385,000	$25,626	$359,374
General corporate purposes	$2,550,000	$502,000	$2,048,000
Unallocated working capital	$10,556,003	$Nil	$10,556,003
Total	**$17,481,003**	**$1,743,776**	**$15,737,227**

Notes:

(1) The difference between the funds raised and the amount spent primarily reflects the timing of the financing, which was completed late in the fourth quarter of 2026, as well as the phased nature of exploration activities and related expenditures. The remaining proceeds continue to be allocated toward ongoing exploration programs and general working capital requirements.

Management believes that the Company's cash balances, including existing cash and investment balances, and the expected proceeds from the exercise of stock options, warrants and compensation options are sufficient to complete its planned exploration activities and fund its administrative expenses for at least twelve months from the reporting date.

Cash flows

Cash used in operating activities for the year ended June 30, 2026 was $2,769,644 compared to $2,818,500 used in operating activities for the year ended June 30, 2025.

During the year ended June 30, 2026, the Company invested $2,804,685 in exploration and evaluation assets and advances and deposits for exploration, compared with $996,639 during the year ended June 30, 2025.

During the year ended June 30, 2026, the Company raised $12,021,594 from financing activities, including the exercise of warrants, stock options and compensation options, net of share issuance costs (June 30, 2025 - raised $7,693,339).

TRANSACTIONS WITH RELATED PARTIES

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, directly or indirectly, including all directors of the entity. The Company's related parties consist of its key management personnel and close family members of its key management personnel, including its directors and officers. Key management compensation for the years ended June 30, 2026 and 2025 were as follows:

	For the years ended	
	June 30, 2026	**June 30, 2025**
Salary	$ 570,000	$ 382,500
Consulting	367,850	279,520
Director's fees	144,000	72,000
Share-based compensation	768,356	827,442
Total	$ 1,850,206	$ 1,561,462

The Company entered into an executive employment agreement with Garrett Ainsworth on June 1, 2020 (the "**Ainsworth Agreement**"), which was subsequently amended on June 1, 2025 to incorporate certain change of control provisions approved by the Board, as set out below. Under the terms of the Ainsworth Agreement, as amended, Mr. Ainsworth is eligible to receive an annual performance bonus and/or special bonus to be set by the Board. The maximum performance bonus is 50% of Mr. Ainsworth's annual salary and may be adjusted based on Mr. Ainsworth's performance during the year.

The Company entered into a consulting agreement with Marlis Yassin on February 4, 2021 (the "**Yassin Agreement**"), which was subsequently amended on June 1, 2025 to incorporate certain change of control provisions approved by the Board, as set out below. Under the terms of the Yassin Agreement, as amended, Ms. Yassin is eligible to receive performance bonuses based on the satisfaction of performance milestones established by the Board from time-to-time.

In the event of a change of control and the applicable executive is terminated without cause within the 12 months of the change of control, each executive shall be entitled to receive 24 months' salary or fees and bonus, and all incentive securities shall vest immediately.

In the event of termination without cause other than in connection with a change of control, each executive shall be entitled to receive 12 months' salary or fees and bonus, and all incentive securities shall vest immediately.

During the year ended June 30, 2026, the Company engaged a compensation consultant to conduct an independent compensation review, which resulted in Board-approved salary increases for the Company's key management personnel and directors (the "Compensation Report").

Pursuant to the Ainsworth Agreement and the Compensation Report, during the year ended June 30, 2026, the Company incurred a total salary and bonus of $570,000 to the CEO (2025 - $382,500), of which $160,000 relates to a salary shortfall from 2025 and $127,500 relates to a performance bonus approved by the Board (2025 – $127,500). The Company had $2,490 due to the CEO in relation to reimbursable expenses at June 30, 2026 (2025 - $Nil).

Pursuant to the Yassin Agreement and the Compensation Report, during the year ended June 30, 2026, the Company paid consulting fees of $173,750, of which $38,750 relates to a consulting fee shortfall from 2025 (2025 - $137,500) and bonus of $60,000 (2025 - $100,000) for services provided by the CFO. The Company had $1,500 due to the CFO in relation to reimbursable expenses at June 30, 2026 (2025 - $Nil).

During the years ended June 30, 2026 and 2025, the Company incurred stock-based compensation expense of $768,356 and $827,442, respectively, related to stock options, RSUs and DSUs granted to officers and directors of the Company.

During the years ended June 30, 2026 and 2025, the Company paid director's fees of $144,000, including a shortfall from 2025 of $12,000 per director as recommended in the Compensation Report (2025 - $72,000), recorded in consulting fees, to directors of the Company.

During the years ended June 30, 2026 and 2025, the Company paid consulting fees of $122,100 and $115,020, respectively, to a company controlled by a close family member of the CFO for administrative, accounting and corporate services. During the years ended June 30, 2026 and 2025, the Company also paid consulting fees of $12,000 and $27,000, respectively, for services provided directly to District Metals AB, recovered pursuant to the Earn-In Agreement. The Company had $Nil due to the company controlled by a close family member of the CFO in relation to reimbursable expenses at June 30, 2026 (June 30, 2025 - $78).

PROPOSED TRANSACTIONS

None.

CRITICAL JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The critical judgements and estimates that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements for the year ended June 30, 2026 as follows:

Material accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Determination of functional currency

The functional currency for the Company and its subsidiaries is the currency of the primary economic environment in which the respective entity operates; the functional currency of District Metals Corp., District Metals AB and Bergslagen Metals AB is determined to be the Canadian dollar. Such determination involves certain judgments to identify the primary economic environment. The Company reconsiders the functional currency of its subsidiaries if there is a change in events and/or conditions which determine the primary economic environment.

Impairment of long-lived assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. If, after exploration and evaluation expenditures are capitalized, information becomes available suggesting that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount the Company carries out an impairment test at the cash-generating unit ("CGU"), or group of CGUs, level in the year the new information becomes available. If indicators of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

Valuation of stock-based compensation and compensation options

The Company uses the Black-Scholes option pricing model for the valuation of stock-based compensation and the Geske compound option pricing model for the valuation of compensation options. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, forfeiture rate, risk-free market interest rate, expected volatility in the price of the underlying stock and expected life of the instruments. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

NEW ACCOUNTING STANDARDS AND ACCOUNTING STANDARDS NOT YET EFFECTIVE

Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). These amendments updated classification and measurement requirements in IFRS 9 Financial Instruments and related disclosure requirements in IFRS 7 Financial Instruments: Disclosures.

The IASB clarified the recognition and derecognition date of certain financial assets and liabilities, and amended the requirements related to settling financial liabilities using an electronic payment system.

It also clarified how to assess the contractual cash flow characteristics of financial assets in determining whether they meet the solely payments of principal and interest criterion, including financial assets that have environmental, social and corporate governance (ESG)-linked features and other similar contingent features. The IASB added disclosure requirements for financial instruments with contingent features that do not relate directly to basic lending risks and costs and amended disclosures relating to equity instruments designated at fair value through other comprehensive income.

The amendments are effective for annual periods beginning on or after January 1, 2026, with early application permitted. The Company does not expect these amendments to have a material impact on our consolidated financial statements.

IFRS 18 – Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, Presentation and Disclosure of Financial Statements, which replaces IAS 1, Presentation of Financial Statements. IFRS 18 introduces a specified structure for the income statement by requiring income and expenses to be presented into the three defined categories of operating, investing and financing, and by specifying certain defined totals and subtotals. Where company-specific measures related to the income statement are provided, IFRS 18 requires companies to disclose explanations around these measures, which are referred to as management defined performance measures. IFRS 18 also provides additional guidance on principles of aggregation and disaggregation which apply to the primary financial statements and the notes.

IFRS 18 will not affect the recognition and measurement of items in the financial statements, nor will it affect which items are classified in other comprehensive income and how these items are classified. The standard is effective for reporting periods beginning on or after January 1, 2027, including for interim financial statements. Retrospective application is required, and early application is permitted. The Company is currently assessing the effect of this new standard on its financial statements.

OFF-BALANCE SHEET ARRANGEMENTS

The Company did not enter into any off-balance sheet arrangements during the year ended June 30, 2026.

FINANCIAL INSTRUMENTS AND RELATED RISKS

Classifications

The Company's financial assets and liabilities are classified as follows:

		June 30, 2026		June 30, 2025
Financial assets:				
Amortized cost				
Cash and cash equivalents	$	16,187,420	$	9,740,155
Receivable from Boliden		7,262		-
Fair value through profit and loss				
Investment		437,500		150,000
Financial liabilities:				
Other financial liabilities				
Accounts payable and accrued liabilities	$	816,964	$	580,093
Advance from Boliden		-		221,343

Accounts payable and accrued liabilities include amounts due to related parties. Amounts due to related parties are unsecured, non-interest bearing and have no specified terms of repayment.

Fair value information

The fair values of the Company's cash and cash equivalents, advance from Boliden and accounts payable and accrued liabilities approximate their carrying amounts due to the short-term nature of these instruments.

IFRS 7 *Financial Instruments: Disclosures* establishes a fair value hierarchy that reflects the significance of inputs used in measuring fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Investments are measured at fair value using level 1 inputs. At June 30, 2026 and June 30, 2025, the Company had no financial assets measured and recognized on the statement of financial position at fair value belonging in Level 2 or Level 3 of the fair value hierarchy.

Financial instrument risk exposure

The Company's financial instruments expose the Company to certain financial risks, including credit risk, liquidity risk, interest rate risk and foreign currency risk.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. At June 30, 2026 and 2025, the Company was exposed to credit risk on its cash and cash equivalents and receivables, primarily comprised of GST and VAT receivables.

The Company's cash and cash equivalents are held with high credit quality financial institutions in Canada and Sweden, and GST and VAT receivable is recoverable from the government of Canada and Sweden, respectively. As at June 30, 2026 and 2025, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and cash equivalents and managing its capital and expenditures.

At June 30, 2026, the Company had cash and cash equivalents of $16,187,420 (June 30, 2025 - $9,740,155) and accounts payable and accrued liabilities of $816,964 (June 30, 2025 - $580,093) with contractual maturities of less than one year. At June 30, 2025, there was $221,343 of advances made to the Company pursuant to the terms of the Earn-in Agreement with Boliden Mineral AB included in cash and cash equivalents that were not available for general use. The Company had sufficient cash to meet its current liabilities as at June 30, 2026. The Company assessed its liquidity risk as low as at June 30, 2026 and 2025.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk as at June 30, 2026 and 2025.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies.

As at June 30, 2026 and 2025, the Company had exposure to foreign currency risk through the following assets and liabilities denominated in Euros, Swedish Krona ("SEK") and Australian dollar ("AUD"):

June 30, 2026

	Euros	SEK	AUD
Cash and cash equivalents	2,171	17,560,487	-
VAT receivable	-	546,098	-
Prepaid expenses	-	447,118	-
Receivable from Boliden	-	49,601	-
Accounts payable and accrued liabilities	(24,351)	(2,178,420)	(3,684)
Net	(22,180)	16,424,884	(3,684)
Canadian dollar equivalent	$ (35,971)	$ 2,404,603	$ (3,617)

June 30, 2025

	Euros	SEK	AUD
Cash and cash equivalents	2,156	4,762,073	-
VAT receivable	-	1,394,737	-
Prepaid expenses	-	3,901,788	-
Accounts payable and accrued liabilities	(22,353)	(1,279,231)	-
Advance from Boliden	-	(1,540,315)	-
Net	(20,197)	7,239,052	-
Canadian dollar equivalent	$ (32,375)	$ 1,040,252	$ -

Based on the above net exposures, a 10% change in the below-noted currencies would impact the Company's net loss as follows:

	June 30, 2026	June 30, 2025
Canadian dollar/Euro	$ 3,597	$ 3,328
Canadian dollar/SEK	240,406	104,025
Canadian dollar/AUD	362	-

As at June 30, 2026 and 2025 the Company has not hedged its exposure to currency fluctuations. The Company assessed its financial currency risk as moderate as at June 30, 2026 and 2025.

OUTSTANDING SHARE CAPITAL DATA

At the date of this MD&A, the Company had 190,961,588 common shares issued and outstanding (June 30, 2025 – 166,657,381), 14,062,500 stock options outstanding, 6,045,500 warrants outstanding, 1,491,667 RSU's outstanding, and 1,275,000 DSU's outstanding.

The Company has authorized an unlimited number of common shares without par value.

TECHNICAL INFORMATION

All scientific and technical information in this MD&A has been prepared by, or approved by Garrett Ainsworth, P.Geo., President and CEO of the Company. Mr. Ainsworth is a 'qualified person' for the purposes of NI 43-101.

CAUTIONARY NOTE REGARDING NON-GAAP FINANCIAL MEASURES

Alternative performance measures in this MD&A such as "free cash flow" are furnished to provide additional information. This non-GAAP performance measures is included in this MD&A because statistics such as these are used as key performance measures that management uses to monitor and assess performance of the Viken deposit, and to plan and assess the overall effectiveness and efficiency of mining operations. These performance measures do not have a standard meaning within IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. These performance measures should not be considered in isolation as a substitute for measures of performance in accordance with IFRS.

Free Cash Flow

Free cash flows are revenues net of operating costs, royalties, capital expenditures and cash taxes. The Company believes that this measure is useful to the external users in assessing the Company's ability to generate cash flows from the Viken deposit.

RISKS AND UNCERTAINTIES

There are a number of risks that may have a material and adverse impact on the future operating and financial performance of the Company and uncertainties not discussed to date or not known to management could have material and adverse effects on the valuation of our securities, existing business activities, financial condition, results of operations, plans and prospects could cause the Company's operating and financial performance to differ materially from the estimates described in forward-looking statements relating to the Company. These include general risks associated with any form of business and specific risks associated with the Company's business and its involvement in the mineral exploration and development industry, including uranium and alum shale mining regulation in Sweden, and media reports thereto, as noted previously in this MD&A. More specifically, there is a risk of further regulation impacting uranium and alum shale exploration and mining in Sweden. The exploration and mining of uranium and alum shale deposits in Sweden is subject to regulation at various levels of government, including but not limited to, both national and municipal governments. The Company continues to monitor recent media reports with respect to the proposed inquiry into mining of alum shale deposits and introduction of a potential new municipal veto for alum shale extraction, with retrospective application. As noted, the impact of these developments on the Company's mineral properties remains uncertain, however, the introduction of new regulations or vetoes impacting uranium and alum shale exploration and mining in Sweden could have a material adverse effect on the business, financial condition and results of operations of the Company.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING INFORMATION

This MD&A 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 MD&A relating to the Company include, among other things, statements relating to uranium and Alum Shale mining regulation in Sweden; the economic parameters of the PEA and the Viken deposit; potential of the Viken deposit; targets for further exploration; the cost and timing of any development of the Viken deposit; the proposed mine plan and mining methods; mining recoveries; processing method and rates; production rates; projected metallurgical recovery rates; infrastructure requirements; capital and operating cost estimates; the projected LOM and other expected attributes of the Viken Deposit; the NPV, IRR and payback period of capital; the uranium industry and uranium prices; government regulations and permitting; estimates of reclamation obligations and closure costs; requirements for additional capital; expectations with respect to project development and permitting, construction and operational processes; availability of services to be provided by third parties; future development methods and plans; and other activities, events or developments that are expected, anticipated or may occur in the future.

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 MD&A, 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 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; uranium exploration and mining regulation in Sweden; 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 calculated 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 MD&A, and the Company assumes no obligation to publicly update or revise such forward-looking information, except as required by applicable securities laws.