Discovery Metals Limited (‘Discovery Metals’ or the ‘Company’) (AIM: DME) (ASX/BSE: DML)

Petra Resource Doubled & Extended to Plutus Deposit

Highlights:

- New Petra Mineral Resource model more than doubles the previously reported resource to 9.1Mt @ 1.2% Cu and 14.1g/t Ag, with silver reported for the first time
- Copper grade at Petra increased by 9% and contained copper increased by 128%
- Total Mineral Resource tonnage at Boseto increased by 10% to 50.2 Mt @ 1.5% Cu and 17.8g/t Ag
- Petra Mineral Resource now connects directly to the Plutus Mineral Resource creating one continuous Mineral Resource extending for more than 10 kilometres on strike
- The combined Petra and Plutus Mineral Resources now contain 25.0Mt @ 1.5% Cu and 15.6 g/t Ag and remains open at depth and along strike to the south west for a further 13 kilometres

New Petra Resource Model:

Discovery Metals Limited (ASX/BSE: “DML”) (AIM: DME) announces a significant upgrade to the mineral resource contained at its Petra Prospect, further improving the economics of the Company’s 100% owned Boseto Copper Project (Figure 1).

The new Mineral Resource includes the Petra Prospect drilling results as released to the market since April 2007, when the last Petra Prospect Mineral Resource was announced.

The Indicated and Inferred Mineral Resource at the Petra Prospect has now been increased to 9.1 Mt@ 1.2% Copper (Cu) and 14.1g/t silver (Ag) at a cut off grade of 0.6% Cu (Figure 2).
The new Petra Mineral Resource increases the contained tonnage by 102%, the copper grade by 9% and the contained copper by 128%. Silver has been estimated and reported for the first time at the Petra Prospect.

<table>
<thead>
<tr>
<th></th>
<th>Mt</th>
<th>Cu (%)</th>
<th>Ag (g/t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2007 resource</td>
<td>4.5</td>
<td>1.1%</td>
<td>-</td>
</tr>
<tr>
<td>April 2009 resource</td>
<td>9.1</td>
<td>1.2%</td>
<td>14.1</td>
</tr>
<tr>
<td>Change</td>
<td>102%</td>
<td>9%</td>
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The Petra Prospect currently hosts the smallest of the three mineral resources making up the Boseto Copper Project, which now has a total Mineral Resource of 50.2 Mt @ 1.5% Cu and 17.8 g/t Ag at a cut off grade of 0.6% Cu containing 753kt Cu metal and 29Moz silver (Figure 2).

Importantly, Petra now extends to the Plutus Prospect to create one continuous deposit extending for more than 10 kilometres of strike length. Mineralisation remains open at depth and to the south west of Petra for a further 13 kilometres based on drilling, soil geochemical anomalism, trenching and mapping.

Long sections through the Petra Mineral Resource showing thickness and copper grades are presented in Figure 3.

**The Boseto Mineral Resource:**

The total Mineral Resource for the Boseto Copper Project reported in accordance with the Australasian Code for reporting of Exploration Results, Mineral resources and Ore Reserves (The JORC Code “2004 Edition”) at a cut off grade of 0.6% Cu is:

<table>
<thead>
<tr>
<th>Resource Area</th>
<th>Indicated</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mt</td>
<td>Cu (%)</td>
<td>Ag (g/t)</td>
<td></td>
</tr>
<tr>
<td>Zeta</td>
<td>3.9</td>
<td>1.7</td>
<td>26.1</td>
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<tr>
<td>Plutus</td>
<td>15.9</td>
<td>1.6</td>
<td>16.4</td>
<td></td>
</tr>
<tr>
<td>Petra</td>
<td>0.8</td>
<td>1.4</td>
<td>14.0</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>45.5</td>
<td>1.4</td>
<td>17.2</td>
<td>50.2</td>
</tr>
</tbody>
</table>

Infill drilling to upgrade portions of the Boseto Copper Project Mineral Resources into the Indicated category is planned to continue into the third quarter of 2009. The Company expects to announce new mineral resource estimates late in 2009, which will include the results of the proposed infill drilling programme.

**Implications for Boseto Project:**

The increase in scale and quality of the Petra Mineral Resource provides Discovery Metals with an improved resource base for the Boseto Copper Project. Increased copper grades and extended strike length will improve project economics and facilitate improved scheduling flexibility within future open pit mining operations and potentially extend the mine life. The estimation and reporting of silver contained in Petra for the first time will result in improved project economics compared to the Pre-Feasibility base case outcomes.
Discovery Metals’ Managing Director, Brad Sampson stated, “The Petra prospect has developed into a significant contributor to the total Mineral Resource base for the Boseto Copper Project”.

“The continuity of copper silver mineralisation over extensive strike lengths and the presence of high grade zones (greater than 2% Cu) within the mineralised areas has been demonstrated repeatedly at Boseto and Petra remains open and highly prospective for a substantial distance to the south west,” he added.

**Boseto Project Background:**

Discovery Metals’ Boseto Copper Project (100% owned) is located in north west Botswana, which is approximately 80km south-west of the town of Maun, within the district of Ngamiland. A seven tenement package was granted to Discovery Metals in September 2005 and fieldwork on this tenement package commenced in October 2005. The Government of Botswana approved the Company’s renewal of these tenements in September 2008 and all prospective areas were retained by the Company. In June 2008, Discovery Metals was granted an additional seven tenements extending from the south west boundary of the original 2005 granted tenements through to the Namibian border, adding 5,700km² to the area held under prospecting licenses to bring the total current tenement area to 10,100 km². The outer limit of the exploration licence area starts approximately 60km south west of Maun and stretches in a south westerly direction for approximately 300km to the Namibian border.

The Boseto Copper Project is located within a belt of significant copper-silver mineralisation that extends from the well known and more highly developed Zambian Copper Belt across north-west Botswana and into Namibia. The poorly explored and undeveloped portion of this belt in north-west Botswana is known as the Kalahari Copper Belt.

Copper occurs predominantly in chalcocite, with minor amounts of bornite and other copper sulphides present. At shallow depths, malachite and chrysocolla exist in significant proportions within some areas of the mineral resource.

The **total Mineral Resource** for the **Boseto Copper Project**, reported in accordance with The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (The JORC Code, “2004 Edition”) at a cut off grade of 0.6% Cu is:

**50.2 Mt @ 1.5% Cu and 17.8 g/t Ag containing 753kt Cu metal and 29Moz silver**

A Pre Feasibility Study for the Boseto Copper Project was completed on time and on budget in July 2008. Discovery Metals is currently undertaking a Bankable Feasibility Study for the Boseto Copper Project.

Further information on the Company is available on its website: [www.discoverymetals.com.au](http://www.discoverymetals.com.au)
The information in this report as it relates to the Zeta, Plutus and Petra Mineral Resources for the Boseto Copper project was compiled by Mr Jason Hosken; and reviewed by David Arnott, all whom are Members of The Australasian Institute of Mining and Metallurgy. Mr Hosken and Mr Arnott are full time employees of Snowden Mining Industry Consultants. Mr Arnott has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. The information in this report that relates to Exploration Results is based on information compiled by Mr Fred Nhiwatiwa who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Nhiwatiwa is a full-time employee of the Company. Mr Nhiwatiwa has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Arnott and Mr Nhiwatiwa consent to the inclusion in the report of the matters based on information provided by them and in the form and context in which it appears.