BSE RELEASE

24 April 2009

AUD$4.0M Capital Raising to Progress Bankable Feasibility Study at its Boseto Copper Project

- Discovery Metals Limited announces an agreement to place AUD$2 million to Taurus Funds Management Pty Ltd and AUD$2 million to Macquarie Bank Limited ("Metals and Energy Capital Division"); both subject to shareholder approval.
- The funds will be primarily applied towards the completion of the Bankable Feasibility for the Boseto Copper Project.
- These placements will complete a series of three placement tranches commenced in February 2009 to substantial share holders.

Discovery Metals Limited ("Discovery" or "Company") (ASX/BSE: 'DML') (AIM: 'DME') is pleased to announce that it has agreed to place a total of approximately 22.2 million shares at AUS$0.18 each, to raise AUD$4.0 million, equally between Taurus Funds Management Pty Ltd ("Taurus") and Macquarie Bank Limited ("Macquarie"). Both Taurus and Macquarie are substantial shareholders of the Company. This placement is subject to shareholder approval at a General Meeting to be held in late May or early June, 2009.

Funds raised from the placement will be applied towards completing the Company’s Bankable Feasibility Study at the Boseto copper project in Botswana and on-going corporate costs.

As part of the placement, approximately 14,814,814 options (exercise price 30 cents each, expiry 25 May 2010) were also offered. The pricing for the options is the same as the two previous tranches in this round of funding for the Company and all options offered are subject to the Company obtaining shareholder approval.

Discovery Metals’ Managing Director, Mr Brad Sampson said “It is pleasing to have the continued support of our substantial shareholders through this period of difficult market conditions. For companies such as Discovery Metals, shareholder support is vital for us to complete the Bankable Feasibility Study and progress to the project stage and funding of the Boseto Copper Project.”

“This placement to Taurus and Macquarie completes a round of fund raising commenced in February and includes the previously announced Resource Capital Fund and London placements.”

The notice of General Meeting for late May or early June 2009 will be released to the market and distributed to shareholders within the next 2 weeks.

Further information on the Company is available on its website: www.discoverymetals.com.au

For further information on this release and Discovery Metals Limited generally, please contact:
Brad Sampson MANAGING DIRECTOR Ph: +61 7 3218 0200 or Mob: +61 4 38 771 037
brad@discoverymetals.com.au

AIM Nominated Advisor/Broker – Fairfax I.S. PLC Contact Ewan Leggal/Laura Littley/Marc Elliott Ph: +44 20 7598 5368
UK PR – Conduit PR Contact Jos Simson/Fiona Hyland Ph +44 20 7429 6603/ +44 7899 870 450

ASX & BSE: DML AIM: DME
SHARE PRICE: A$0.28 SHARES: 172M
Market Cap: A$48.2