Discovery Metals Limited

New Strategic Kalahari Copperbelt Prospecting Licences

Highlights:

- Four new strategically located prospecting licences in the Kalahari Copperbelt have been granted to Discovery Metals.
- New licences estimated to contain at least 250 km of the prospective horizon that is host to the copper deposits at Boseto.
- Historical soil geochemical data shows a 10 km long zone of anomalous copper of similar tenor as that at the Boseto Copper Project’s Zeta Deposit.
- Kalahari Copperbelt landholding is now 11,872 km² containing 1,500 strike kilometres of the prospective horizon.

Discovery Metals Limited (‘Discovery Metals’ or ‘Company’) reports that it has been granted four new prospecting licences (PLs) in the Kalahari Copperbelt of North West Botswana (Figure 1). These PLs, which cover “all metals”, are situated within the vicinity of the D’Kar and Ghanzi communities and will be referred to by the Company as the D’Kar Prospecting Licences.

Discovery Metals Managing Director, Brad Sampson, stated “Historical soil geochemical sampling identified a zone of anomalous copper more than 10 kilometres long located on the same prospective horizon that hosts the copper-silver mineralisation discovered to date in the Kalahari Copperbelt. This anomalous zone sits within one of the four new contiguous PLs granted to Discovery Metals and provides an immediate exploration target in addition to the rest of the 250 kilometres of prospective horizon contained within these four PLs that remain largely unexplored.”

The D’kar PLs increase the Company’s total landholding in the Kalahari Copperbelt to 11,872 square kilometres, containing in excess of 1,500 kilometres of strike length of the prospective horizon (Figure 2). The prospective horizon is located at the contact of the Ngwako Pan Formation and the D’kar Formation and is host to most of the known copper resources in the Kalahari Copperbelt in Botswana.
In the early 2000s, Delta Gold Ltd completed a campaign of regional conventional soil geochemistry at approximately five kilometres spaced lines over portions of the Kalahari Copperbelt. This work successfully identified copper in soil anomalisim over the Zeta and the Banana Zone (Hana Mining) deposits. This same phase of work also identified a copper in soil anomaly extending over 10 kilometres along the prospective horizon within the recently granted D’kar PLs. One portion of this zone of anomalous copper is approximately 400 metres wide with nine sample points all exceeding 100ppm copper (Figure 3).

This zone of anomalous copper is located approximately 10 kilometres off the main Trans Kalahari Highway which links Botswana with the major port of Walvis Bay in neighboring Namibia to the west.

Exploration work already completed by Discovery Metals indicates that sand cover across the majority of the D’Kar PLs is less than 25 metres and therefore standard soil geochemical methods are expected to be appropriate for the first phase of exploration.

The Company’s regional exploration programme in the Kalahari Copperbelt continues with a goal to discover new zones of copper–silver mineralisation that will form the basis for a new standalone mine in the region. Exploration activity is anticipated to progress into the D’Kar PLs in the latter part of 2012.
**Competent Persons Statement**

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 (MAusIMM). Mr Nhiwatiwa is a full-time employee of Discovery Metals Limited. 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” (JORC Code).

Mr Nhiwatiwa consents to the inclusion in this report of the matters based on information provided by him and in the form and context in which it appears.

**Discovery Metals Background**

Discovery Metals is an ASX/AIM/BSE listed copper exploration and development company focused on the emerging Kalahari Copperbelt in northwest Botswana. The Company is a near-term copper producer currently developing its 100% owned Boseto Copper Project towards production in the first half of 2012.

The Kalahari Copperbelt sediment-hosted mineralisation of the Boseto Copper Project is similar in style to the well-known and large deposits of the Central African Copperbelt of Zambia and the Democratic Republic of the Congo.

Discovery Metals now has prospecting licences covering 11,872 km² along the Kalahari Copperbelt.

Further information on the Company including Mineral Resources and Ore Reserves is available on our website: [www.discoverymetals.com](http://www.discoverymetals.com)

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**Forward looking statements**

This release includes certain statements that may be deemed “forward-looking statements”. All statements in this discussion, other than statements of historical facts, that address future activities and events or developments that Discovery Metals expects, are forward-looking statements. Although Discovery Metals believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those in the forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, continued availability of capital and financing, and general economic, market or business conditions. Investors are cautioned that any such statements are not guarantees of future performance and that actual results or developments may differ materially from those projected in forward-looking statements.
FIGURE 1: DISCOVERY METALS’ BOTSWANA PROJECTS