Discovery Metals Limited

Maiden Mineral Resources at NE Mango

Highlights:

- Maiden NE Mango 1 Inferred Mineral Resources of 4.8 Mt @ 1.2% Cu and 13.0 g/t Ag, including a higher grade zone containing Inferred Mineral Resources of 1.6 Mt @ 2.1% Cu and 24.8 g/t Ag.

- Work continues to assess the full potential of the entire Mango Prospect with three distinct copper-silver prospects discovered to date.

- The development strategy for Mango is under assessment.

- Higher grade zone (500 metres strike length) contains copper grades that create potential for underground mining.

- Mango Prospect prospective strike length extends for approximately 30 kilometres of which 20 kilometres has been tested to date.

NE Mango 1 – Maiden Copper-Silver Mineral Resources estimate

Discovery Metals Limited (‘Discovery Metals’ or ‘Company’) reports the maiden Mineral Resources estimate at the NE Mango 1 Deposit. NE Mango 1 is located in the Boseto Zone (Figure 2) extending over a strike length of approximately 2.5 kilometres and is located less than 25 kilometres from the 100% owned Boseto Copper Project.

This is the first Mineral Resources estimate to date at the Mango Prospect, which has approximately 30 kilometres of prospective strike length.

Discovery Metals announced to the ASX on 20 July 2012 the thickest, high grade intersections returned to date in the Kalahari Copperbelt from NE Mango 2 which confirms the significant tonnage potential of this Prospect. NE Mango 2 is located 8 kilometres south west of NE Mango 1 and extends over a strike length of 5 kilometres with potential for the delineation of open cut and underground Mineral Resources.

The Managing Director of Discovery Metals, Mr Brad Sampson commented, “This maiden Mineral Resources estimate has confirmed high grade copper-silver mineralisation at the NE Mango 1 deposit. Ongoing exploration by Discovery Metals will allow assessment of the full potential of the entire Mango Prospect where three distinct copper-silver prospects have been discovered to date.”
The NE Mango 1 Inferred Mineral Resources for mineralisation below the base of oxidation are:

**Inferred High Grade Mineral Resources**  
1.6 Mt @ 2.1% Cu and 24.8 g/t Ag

**Inferred Low Grade Mineral Resources**  
3.2 Mt @ 0.8% Cu and 7.4 g/t Ag

**TOTAL INFERRED MINERAL RESOURCE**  
4.8 Mt @ 1.2% Cu and 13.0 g/t Ag  
(Mineral Resources are reported above a cut-off grade of 0.6% Cu.)

The estimate has been completed by independent consultants, Xstract Mining Consultants Pty Ltd, and reported in accordance with the guidelines of the 2004 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves.

**Mango Prospect**

Initial drilling of the Mango Prospect was conducted by Discovery Metals in mid 2011. Drilling at the NE Mango 1 Prospect has tested a strike length of 2.5 kilometres at spacings ranging from 200 metres to 500 metres along strike and to a vertical depth of approximately 150 metres. Within this 2.5 kilometres there is a strike length of approximately 500 metres of higher grade copper-silver mineralisation hosted by massive limestone.

To the south-west of this high grade zone, the copper-silver mineralisation appears to split into two zones of narrow lower grade mineralisation, separated by waste rock. Drill Holes MGDD1785 and MGRD1781 both intersected copper-silver mineralisation and seem to close-off the mineralisation to the south-west (Figure 3 and 4).

Within the two domains of higher and lower grade mineralisation, drilling has demonstrated continuity of copper grade and thickness along strike and down-dip. The down-dip potential is currently limited by the Prospecting Licence boundary (Figures 5).

There are approximately 30 metres of unconsolidated Kalahari Sands and calccrete overlying the mineralisation at NE Mango 1, with the top of the sulphide zone occurring at a vertical depth of approximately 70 metres. For comparison, at the Zeta open pit sand cover typically is less than 10 metres and sulphide mineralisation is generally within 35 metres of the surface.

The sulphide copper mineralisation at NE Mango 1 is primarily bornite with significant amounts of chalcocite and minor chalcopyrite.

Work continues to assess the full potential of the entire Mango Prospect with the three distinct copper-silver prospects discovered to date (all within 30 kilometres of the Boseto concentrator) showing potential for open pit and/or underground mining. NE Mango 1, whilst currently containing modest tonnage of Mineral Resources, does contain copper grades that are likely to support underground mining based on the results of the recently completed Zeta Underground Definitive Feasibility Study.

It is currently planned to complete sufficient drilling to enable an estimate of Inferred Mineral Resources in all three prospects by the middle of 2013.
**Competent Persons Statement**

The information in this report as it relates to the NE Mango 1 Mineral Resources estimate for the Boseto Copper Project has been compiled by Mr Matthew Readford, who is a Member of the Australasian Institute of Mining and Metallurgy (MAusIMM). Mr Readford is employed fulltime by Xtract Mining Consultants Pty Ltd. Mr Readford 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 JORC Code, 2004.

Mr Readford consents to the inclusion in the report of the matters pertaining to NE Mango 1 Mineral Resources estimate based on information provided by him, and in the form and context in which it appears.

**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.

**Discovery Metals Background**

Discovery Metals is an ASX/BSE listed copper exploration and production company focused on the emerging Kalahari Copperbelt in north-west Botswana. The Company is a copper producer at its 100% owned Boseto Copper Project.

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 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)

**For further information on this release and Discovery Metals Limited, please contact:**

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Figure 1. Discovery Metals’ Botswana Projects
Figure 2. Kalahari Copperbelt Exploration Targets
Figure 4. NE Mango 1 Drilling Results
Figure 5. NE Mango 1 long section with contoured copper grades