Discovery Metals Limited

Maiden Mineral Resources at Ophion

Highlights:

- Maiden Ophion Inferred Mineral Resources of 14 Mt @ 1.0% Cu and 12.0 g/t Ag.
- The development strategy for an open pit operation at Ophion is under assessment.
- Mineral Resources at Ophion extend over a 5.5 km strike length, are contained within seven distinct mineralised layers and remain open at depth.
- Drilling at the Ophion NE Prospect to follow up previous encouraging drill results is expected to recommence in Q1/2013.
- Additional Boseto Zone Mineral Resources expected this month.

Ophion – Maiden Copper-Silver Mineral Resources estimate

Discovery Metals Limited (‘Discovery Metals’ or ‘Company’) reports the maiden Mineral Resources estimate at the Ophion Deposit. Ophion is located approximately 35 kilometres from the 100% owned Boseto Copper Project, at the edge of the Boseto Zone and continues into the Mid Kalahari Zone (Figure 2). It extends over a strike length of approximately 5.5 kilometres.

The Managing Director of Discovery Metals, Mr Brad Sampson commented, “Ophion is an interesting deposit where copper-silver mineralisation is often present in multiple layers.

Situated at the edge of the Boseto Zone, Ophion has the potential to contribute to either an expanded, longer life Boseto Copper Project, or to form part of a new standalone project in the Kalahari Copperbelt.”

The Ophion Inferred Mineral Resources for copper-silver mineralisation below the base of oxidation are:

TOTAL INFERRED MINERAL RESOURCE 14.0 Mt @ 1.0% Cu and 12.0 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.

**Ophion Prospect (100%)**

Discovery Metals completed exploration drilling at the Ophion Prospect in several stages between September 2009 and March 2012. Drilling comprised 63 drill holes, totalling 6,070 metres. Of these, 32 drill holes (26 reverse circulation (RC) and 6 diamond core (DD)) were located in the area modelled for the Mineral Resource estimation.

The mineralised zone at Ophion has been interpreted in 14 sections spaced approximately 400 metres apart, along a 5.5 kilometre strike length. Copper-silver mineralisation is generally dipping at 80 degrees to the north-west, has been intersected at depths between 30 metres and 200 metres, and occurs within up to seven discrete mineralised layers of approximately 2 metres to 6 metres in thickness, with up to three at a time sub-parallel to each other.

Approximately 4 to 14 metres of unconsolidated Kalahari Sands and calcrete overlay the mineralisation at Ophion, with the top of the sulphide zone occurring at vertical depths of approximately 30 to 40 metres. For comparison, sand cover at the Zeta open pit is typically less than 10 metres and sulphide mineralisation is generally within 35 metres of the surface.

The sulphide copper mineralisation at Ophion is primarily chalcocite with lesser amounts of bornite and minor chalcopyrite.

The copper-silver mineralisation remains open at depth and the presence of multiple layers of copper-silver mineralisation may create opportunities for mining of lower strip ratios than currently planned at the nearby Zeta deposit.

Further drilling is required to understand the nature of the copper-silver mineralisation in the oxidised zone which has not been included in this Mineral Resources estimate. At the nearby Zeta and Plutus Deposits the oxide and transitional zones contain economic copper-silver mineralisation and potential for this exists at Ophion.

Work continues to assess the full potential of the Ophion Prospect with the copper-silver mineralised zone showing potential for open pit mining.

In addition to the Ophion Prospect, the Ophion NE Prospect is located approximately 6 kilometres to the north-east. Four drill holes on 3 sections over a strike length of approximately 4 kilometres have all intersected copper-silver mineralisation. Drilling at Ophion NE is planned to resume in Q1/2013, with the aim of proving continuity of grade and thickness and with the objective of establishing Mineral Resources.

In addition to these new Mineral Resources at Ophion, the Company is currently progressing the first estimate of Mineral Resources at the NE Mango 2 Prospect which is also located within the Boseto Zone. This work is expected to be completed to allow release of the Maiden Mineral Resources estimate for NE Mango 2 later this month.
Competent Persons Statement

The information in this report as it relates to the Ophion Mineral Resources estimate 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 Ophion 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

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 3. Ophion and the Boseto Concentrator
Figure 4. Ophion Resource Drilling Results
Figure 5. Cross-section showing mineralisation (through OPRC 2096)