Discovery Metals Limited

Copper Mineralisation Extended to 460 metres depth at Zeta NE

Diamond drilling at the Zeta NE Deposit, located approximately seven kilometres from the Zeta Open Pit mine, has intersected copper mineralisation at a vertical depth of 460 metres. The previous deepest hole intersected copper-silver mineralisation at a depth of 230 metres.

Highlights:
- This first deeper diamond drill hole at Zeta NE has intersected well developed copper sulphide mineralisation over approximately 20m drilled thickness at a vertical depth of 460m.
- Continuity of copper mineralisation is now confirmed from the base of previous drilling (and Mineral Resources) to at least 460m deep.
- The deposit remains open below 460m and along strike.
- This result mirrors drilling at the nearby Zeta Deposit where copper-silver mineralisation was identified at depths of up to 650m below surface.
- First assay results are expected in late December.
- Drilling at Zeta NE is continuing, seeking to confirm high grade copper mineralisation at depths of up to 600m, to establish potential for underground mining.

Discovery Metals Limited (Discovery Metals or Company) reports initial results from the first completed deep diamond drill hole at the Zeta NE Deposit. The hole has successfully confirmed continuity of high grade copper mineralisation at depth.

Zeta NE is located within the Company’s 100% owned prospecting licences in the Kalahari Copperbelt in north-west Botswana (Figure 1) and approximately 10 kilometres east of the Company’s Boseto concentrator.

Discovery Metals’ Managing Director, Brad Sampson, said the exciting results demonstrated the potential for further development of the Boseto copper project.

“This is yet another exciting outcome from our exploration efforts. With one hole we have confirmed that copper mineralisation at Zeta NE continues beyond a depth of 460 metres beneath the existing Mineral Resources. Potential exists for the possible development of an underground mine at Zeta NE, similar to the Zeta Deposit where underground mining is planned to commence in 2013.”

“Our exploration exercise continues to add value to shareholders and to demonstrate the exploration potential within the Kalahari Copperbelt referenced in our recent Target’s Statement.”
The Zeta NE Deposit is located within the Boseto Zone (Figure 2) and is located approximately seven kilometres north-east of and directly along strike from the Zeta Deposit (Figure 3), which is currently being mined.

The drill hole reported in this release is the first of a four hole programme designed to test the potential to develop underground Mineral Resources at Zeta NE (Figure 4). It was completed at a final down hole depth of 630 metres, intersecting the top of the Ngwako Pan Formation at 590 metres down hole (Figure 5).

Copper mineralisation occurs between 570 metres and 590 metres and appears to be dominated by bornite with moderate amounts of chalcocite and minor chalcopyrite (Table 2). The style of copper mineralisation is similar to that seen in the shallower holes drilled at Zeta NE, with stronger copper mineralisation being associated with bedding parallel quartz-calcite-sulphide veining (Figure 6). Lesser mineralisation is found as disseminated and bedded sulphides (Figure 6).

The core has now been cut and dispatched for analysis. Assay results are expected in late December.

The second hole drilled in this program is expected to be completed in mid-December. A third drill hole has just commenced and the fourth is planned to begin in early January 2013.

### Table 1. Collar Coordinates for GDDD2826.

<table>
<thead>
<tr>
<th>HoleID</th>
<th>Section</th>
<th>Northing / Easting (m)</th>
<th>Dip / Azimuth</th>
<th>Total Depth (m)</th>
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<tbody>
<tr>
<td>GDDD2826</td>
<td>47750</td>
<td>7725179 / 714885</td>
<td>-60° to 140°</td>
<td>630.0</td>
</tr>
</tbody>
</table>

### Table 2. Mineralisation estimates from drill hole core logging GDDD2826.

<table>
<thead>
<tr>
<th>Hole</th>
<th>From</th>
<th>To</th>
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</tr>
</thead>
<tbody>
<tr>
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<td>573.0</td>
<td>Chalcopyrite</td>
</tr>
<tr>
<td></td>
<td>573.0</td>
<td>574.0</td>
<td>Chalcocite</td>
</tr>
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<td></td>
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<td>580.0</td>
<td>Chalcopyrite</td>
</tr>
<tr>
<td></td>
<td>580.0</td>
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<td>Bornite, Chalcopyrite</td>
</tr>
<tr>
<td></td>
<td>582.4</td>
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<td></td>
<td>587.5</td>
<td>589.5</td>
<td>Bornite, Chalcocite</td>
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</tbody>
</table>
**Competent Persons Statement**

The information in this report that relates to exploration results is based on information compiled by Dr Wallace Mackay who is a Member of the Australian Institute of Geoscientists. Dr Mackay is employed full-time by Discovery Metals Limited. Mr Mackay has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are 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).

Dr Mackay 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.

**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)

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Figure 1. Discovery Metals’ Botswana Projects
Figure 2. Kalahari Copperbelt Exploration Targets
Figure 6. Photographs of the different styles of mineralisation. Core size is NQ (47.6 mm diameter)