Discovery Metals Limited

DML-Sedgman Dispute Adjudication result favours DML

Dispute Adjudication Process Concluded

Further to Discovery Metals Limited’s (Discovery Metals) announcement on 30 April 2013, Discovery Metals is now also pleased to announce that the Dispute Adjudication Board (DAB) has concluded its process and has made decisions in respect of disputes between Discovery Metals and Sedgman Limited (Sedgman).

The disputes arose from the Engineering Procurement & Construction FIDIC Contract (EPCC) for construction of the Concentrator and associated infrastructure at the Boseto Copper Project.

This DAB decisions follow the previously announced decision in the Supreme Court of Queensland on 30 April 2013, wherein the Court dismissed Sedgman’s application for payment of $20,027,470.07 and awarded costs to Discovery Metals.

The DAB has made a decision on each of the underlying items of disputes between Discovery Metals and Sedgman and has determined that a net total of $4,989,650.93 is payable to Discovery Metals by Sedgman.

Either party may dispute the DAB’s decision. If this occurs, then the disputes between the parties will be determined by international arbitration in accordance with the terms of the EPCC.

At this stage, Discovery Metals does not intend to dispute the DAB’s findings.
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 expects, are forward-looking statements. Although Discovery 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 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 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

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