Discovery Metals Limited

Boseto Operations Update
August 2013

HIGHLIGHTS

- Record mill throughput of 225kt.
- Metal production of 1,815 tonnes of contained copper and 78,891 oz of contained silver.
- Total ore tonnes processed of 225kt.
- Total material movement of 2.8 Mt.
- Overall copper recovery of 75% and silver recovery of 86% with the Zeta sulphide ore recovering 87% copper and 89% silver.

Mining

Mining continued in both the Zeta and Plutus Open Pits in August.

Material Mined (tonnes)

Mining production (ore plus waste) for August 2013 was 2.8 million tonnes. Total material movements over the past 5 months have generally been in line with the target rate of 3 million tonnes per month. Material movements are now planned to ramp up to 3.5 million tonnes per month by December.
Operational changes made earlier in the year to improve drilling availability and productivity have facilitated sustained improvements in blasted stocks in the Zeta and Plutus Open Pits.

The blasted stocks at end of August contained 1.7 million tonnes waste and 97,000 tonnes ore.

**In Pit Blasted Ore Stocks**

![Graph showing total broken material at month end (t)]

**Concentrator**

During August, 225kt of ore was processed containing 1.07% Cu and 12.7 g/t Ag. This is the most tonnes milled in a single production month at Boseto to date.

**Mill Production & Milling Rate per operating day**

![Graph showing mill throughput and milling rate per operating day]
Total mill throughput consisted of:

- Zeta high grade sulphide ore: 100kt @ 1.29% Cu and 19 g/t Ag;
- Zeta low grade material: 44kt @ 0.34% Cu and 6 g/t Ag; and
- Plutus transitional ore: 81kt @ 1.21% Cu and 9 g/t Ag.

Average metallurgical recoveries of 75% copper and 86% silver were achieved for the month. Overall copper recovery is in line with expectations with silver recovery continuing to outperform original estimates.

**Metal production**

Concentrate production for August was 4,642 tonnes at 39% copper and 529 g/t silver containing 1,815 tonnes of copper and 78,891 ounces of silver.

**Concentrate Production and Grade**

[Image of graph showing concentrate production and grade over time]

**Off-take arrangement**

The off-take arrangement the Company has in place with Transamine (100% of concentrated for the first 5 years of production) continues to work well for the Company. All concentrate is being transported from site by road to port and multiple final customers.
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 approximately 26,150 km2 in Botswana.

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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