NOTICE OF ANNUAL GENERAL MEETING & EXPLANATORY MEMORANDUM

Date of Meeting: Thursday, 21 November 2013
Time of Meeting: 11:00 am (Brisbane time)
Venue of Meeting: Christie Corporate Conference Centre
Morgan Room
Level 1, 320 Adelaide Street
Brisbane, Queensland

This Notice of Meeting and Explanatory Memorandum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser prior to voting.
NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Shareholders of DISCOVERY METALS LIMITED ACN 104 924 423 (the Company) will be held on Thursday, 21 November 2013, commencing at 11:00 am (Brisbane time) at the Christie Corporate Conference Centre, Morgan Room, Level 1, 320 Adelaide Street, Brisbane, Queensland. Registration will commence just prior to the Meeting.

This Notice of Meeting incorporates, and should be read together with, the Explanatory Memorandum and Proxy Form.

**ORDINARY BUSINESS**

Receipt of financial statements and reports
To receive and consider the Directors’ report and financial statements of the Company for the year ended 30 June 2013 and the Auditor’s report in relation to the financial statements.

Resolutions

1. **Adoption of Remuneration Report (non-binding resolution)**
   To consider and if thought fit, pass the following resolution as an ordinary resolution:
   
   "That the Remuneration Report as disclosed in the Directors’ Report for the year ended 30 June 2013 is approved for the purposes of the Corporations Act."

   **Note:** Under the Corporations Act, this Resolution is advisory only and does not bind the Directors or the Company. However, if 25% or more votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at that second annual general meeting on an additional resolution on whether another meeting should be held at which all of the Company’s Directors, other than the Managing Director, must stand for re-election. Please see the Explanatory Memorandum for further information.

   **Voting exclusion:** The Company will, in accordance with section 250R of the Corporations Act, disregard any votes cast on Resolution 1 by or on behalf of a:
   
   > member of the Key Management Personnel (this includes but is not limited to the Directors), details of whose remuneration are included in the Remuneration Report; and
   > closely related party of such a member, collectively the Excluded Persons.

   However, the Company will not disregard any votes cast on this Resolution if the Excluded Person votes as a proxy and the vote is not cast on behalf of an Excluded Person and either:
   
   > the Excluded Person is appointed as a proxy by writing that specifies the way the proxy is to vote on Resolution 1; or
   > the Excluded Person is the chair of the Annual General Meeting and the appointment of the chair as proxy:
   
   > does not specify the way the proxy is to vote on Resolution 1; and
   > expressly authorises the chair to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

2. **Re-election of Director, Mr Ribson Gabonowe**
   To consider and if thought fit, pass the following resolution as an ordinary resolution:
   
   "That in accordance with the Constitution of the Company and the Listing Rules, Mr Ribson Gabonowe who retires by rotation and being eligible, be re-elected as a Director of Discovery Metals Limited.”

3. **Re-election of Director, Mr Jeremy Read**
   To consider and if thought fit, pass the following resolution as an ordinary resolution:

   "That in accordance with the Constitution of the Company and the Listing Rules, Mr Jeremy Read who retires by rotation and being eligible, be re-elected as a Director of Discovery Metals Limited.”

4. **Election of Director, Mr Russell Luxford**
   To consider and if thought fit, pass the following resolution as an ordinary resolution:

   "That in accordance with the Constitution of the Company and the Listing Rules, Mr Russell Luxford who was appointed to the Board since the last annual general meeting, being eligible, be elected as a Director of Discovery Metals Limited.”

**SPECIAL BUSINESS**

5. **Ratification of Placement Shares**
   To consider and if thought fit, pass the following resolution as an ordinary resolution:

   "That pursuant to and in accordance with Listing Rule 7.4 and for all other purposes, Shareholders ratify the allotment and issue of 64,714,633 Shares (Blumont Shares) to Blumont Copper, 4,166,667 Shares (GA Nominee Shares) to GA Nominee, and 4,166,667 Shares (IP Nominee Shares) to IP Nominee, each on the terms and conditions in the Explanatory Memorandum.”
**Voting exclusion:** The Company will disregard any votes cast on this Resolution 5 by a person who participated in the issue and an associate of that person (or those persons).

However, the Company will not disregard any votes cast on this Resolution if:

- it is cast by a person excluded from voting as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

**ATTENDANCE AND VOTING AT THE MEETING**

**Voting entitlement**

In accordance with regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Board has determined that the Shareholders who are on the Company’s share register at 7:00 pm (Sydney time) / 6:00 pm (Brisbane time) on Tuesday, 19 November 2013 will be taken, for the purposes of the Annual General Meeting, to be entitled to attend and vote at the Meeting.

If you are not the registered holder of a relevant Share at that time, you will not be entitled to vote at the Meeting.

**Voting at the Meeting**

Ordinary resolutions require the support of more than 50% of the votes cast. Special resolutions require the support of at least 75% of the votes cast.

Every question arising at this Annual General Meeting will be decided in the first instance by a show of hands. A poll may be demanded in accordance with the Company’s Constitution.

On a show of hands, every Shareholder who is present in person or by proxy, representative or attorney, will have one vote. Upon a poll, every person who is present in person or by proxy, representative or attorney, will have one vote for each Share held by that person.

**Proxies**

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a shareholder of the Company, as the Shareholder’s proxy to attend and vote on behalf of the Shareholder.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

A proxy form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the proxy form and return it at least 48 hours before the Meeting, **being no later than 11:00 am (Brisbane time) on Tuesday, 19 November 2013:**

- post to Computershare Investor Services Pty Limited, GPO BOX 242, Melbourne, Victoria 3001
- fax to the share registry of Discovery Metals Limited, Computershare Investor Services Pty Limited on 1800 783 447 [within Australia] or + 61 3 9473 2555 [outside Australia]; or
- online by visiting [www.investorvote.com.au](http://www.investorvote.com.au) and logging in using the control number found on the front of your accompanying proxy form. Alternatively you may also scan the QR code on the front of the proxy form with your mobile device and insert your postcode. Intermediary Online subscribers (Institutions/Custodians) may lodge their proxy instruction online by visiting [www.intermediaryonline.com](http://www.intermediaryonline.com).

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the proxy form.

**Proxies and conduct of Meeting**

Pursuant to section 250BB, an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, if it does:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed);
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands;
- if the proxy is the chairman of the meeting at which the resolution is voted on, the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chairman, the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Under section 250BC, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of a company’s members;
- the appointed proxy is not the chairman of the meeting;
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chairman of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

If you choose to appoint a proxy, you are encouraged to direct your proxy how to vote on each Resolution by marking either **For**, **Against** or **Abstain** on the voting form for that item of business.

By order of the Board

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Paul Frederiks  
CFO and Company Secretary  
15 October 2013
EXPLANATORY MEMORANDUM

IMPORTANT NOTICE

This Explanatory Memorandum contains an explanation of, and information about, the Resolutions to be considered at the Annual General Meeting. Shareholders should read this Explanatory Memorandum in full. This Explanatory Memorandum and the Annexures to it, form part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

If you are in doubt about what to do in relation to the Resolutions set out in the Notice of Meeting, you should consult your financial or other professional adviser.

Words or expressions used in the Notice of Meeting and in this Explanatory Memorandum and the Annexures are defined in the Glossary. Unless otherwise stated, all references to sums of money, ‘$’ and ‘dollars’ are references to Australian currency.

This Explanatory Memorandum is dated 11 October 2013.

BACKGROUND TO THE RESOLUTIONS

ORDINARY BUSINESS

Receipt of financial statements and reports

This item does not require voting by Shareholders. It is intended to provide an opportunity for Shareholders to raise questions on the financial statements and reports. The auditor of the Company will be present at the Meeting and available to answer any questions.

Resolution 1 – Adoption of Remuneration Report (non-binding resolution)

Background


The Remuneration Report sets out the Company’s remuneration arrangements for Directors, including the Managing Director and Key Management Personnel. Shareholders will be given the opportunity at the Meeting to ask questions and make comments on the Remuneration Report and a reasonable opportunity will be provided for discussion of the Remuneration Report.

The Corporations Act requires that a resolution be put to the Shareholders to adopt the Remuneration Report. This Resolution is advisory only and does not bind the Directors or the Company. The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

Two strikes

If 25% or more of votes that are cast on this non-binding Resolution are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of these annual general meetings on a resolution (a Spill Resolution) that another meeting be held within 90 days (Spill Meeting), at which:

a) all of the Company’s Directors (other than the Managing Director) cease to hold office immediately before the end of the Spill Meeting; and

b) resolutions to appoint persons to offices that will be vacated immediately before the end of the Spill Meeting will be put to the vote at the Spill Meeting.

The approval threshold for the Spill Resolution is 50% or more of votes that are cast on the resolution.

At the 2012 Annual General Meeting, Shareholders voted in favour of the Remuneration Report, and no first ‘strike’ was recorded by the Company.

Board Recommendation

The Board unanimously recommends that Shareholders vote FOR Resolution 1.

Resolution 2 – Re-election of Director, Mr Ribson Gabonowe

Background

Under Listing Rule 14.4 and the Company’s Constitution, a Director must not hold office without re-election past the third annual general meeting following the director’s appointment, or 3 years, whichever is longer.

A director who retires in accordance with these requirements is eligible for re-election.

Accordingly, Mr Ribson Gabonowe is due to retire at the end of the Meeting and offers himself for re-election to the Board. Details of Mr Gabonowe’s qualifications, experience, other directorships and special responsibilities are set in the Directors’ Report on page 3 of the Financial Report.

Mr Gabonowe is a Mining Engineer with over 30 years’ experience in the mining industry. For twelve years to December 2006, Ribson was the Director of Mines of Botswana, responsible for administering the legal and fiscal framework governing mineral exploitation. In this role, Ribson was involved in negotiations of mineral agreements for copper, nickel, diamonds, coal and soda ash.

Ribson is a director of all Discovery Metals subsidiaries registered in Botswana, and sits on the Audit and Risk Management Committee.

Board Recommendation

The Board (with Mr Gabonowe abstaining) recommends that Shareholders vote FOR Resolution 2.
Resolution 3 – Re-election of Director, Mr Jeremy Read

Background

Under Listing Rule 14.4 and the Company’s Constitution, a director must not hold office without re-election past the third annual general meeting following the director’s appointment, or 3 years, whichever is longer.

A director who retires in accordance with these requirements is eligible for re-election.

Accordingly, Mr Jeremy Read is due to retire at the end of the meeting and offers himself for re-election to the Board. Details of Mr Read’s qualifications, experience, other directorships and special responsibilities are set in the Directors’ Report on page 4 of the Financial Report.

Mr Read has 23 years’ domestic and international minerals exploration experience and was previously the Manager of BHP’s Australian Exploration Team. He has extensive exploration experience for nickel and copper sulphides and played a critical role in the discovery of Kabanga North Nickel Deposit in Tanzania.

Jeremy was the founding managing director of Discovery Metals from its incorporation in May 2003, until his appointment as a non-executive director on 1 February 2008. Mr Read secured the Boseto Copper Project for the Company and was responsible for all Discovery Metals’ fund raising activities and for listing Discovery Metals on the Australian Securities Exchange, Botswana Stock Exchange and the Alternative Investment Market in London. He was also the founding managing director of Meridian Minerals Limited until its successful takeover in 2011 and managing director of Avalon Minerals Limited and is currently non-executive director of Harmattan Gold Limited.

Mr Read is Chairman of the Remuneration and Nomination committee and a member of the Audit and Risk Management Committee.

Board Recommendation

The Board (with Mr Read abstaining) recommends that Shareholders vote FOR Resolution 3.

Resolution 4 – Election of Director, Mr Russell Luxford

Background

Mr Russell Luxford was appointed to the Board of the Company on 25 September 2013 (after last year’s annual general meeting).

Under Listing Rule 14.4, a Director appointed to fill a casual vacancy or as an addition to the Board must not hold office (without re-election) past the next annual general meeting of the Company. Accordingly, Mr Luxford is required to offer himself for election to the Board at this Annual General Meeting.

Mr Luxford is an engineer with over 30 years’ experience in the mining industry working in senior technical and managerial positions for Citadel Resources Group, Ma’aden, WMC, Rio Tinto, RGC and others.

Russell’s expertise is principally in project development (including commissioning and ramp-up) and operational effectiveness for mine and processing performance improvement.

In 1996 Mr Luxford was appointed as the Engineering Manager for the WMC Phosphate Hill phosphate project, and subsequently as the start-up Operations Manager. Using this experience as a basis, Mr Luxford launched a mining project development and operations company which quickly grew and successfully executed projects worldwide for a range of high profile companies.

In 2004 Mr Luxford was appointed as the Project Director of the US$5 billion Ma’aden Al Jalamid phosphate project and successfully led this complex large scale phosphate project through option evaluation, studies, technology selection, off-take negotiations, joint venture arrangements, financing, engineering and into construction.

Following his time with Ma’aden, Mr Luxford has worked as a minerals project development consultant, including working for potential emerging phosphate companies.

Mr Luxford was first appointed to the Board of the Company on completion of the Placement.

Board Recommendation

The Board (with Mr Luxford abstaining) recommends that Shareholders vote FOR Resolution 4.

SPECIAL BUSINESS

Resolution 5 – Ratification of Placement Shares

Background

On 19 September 2013, Blumont and its Nominees agreed to subscribe for 73,047,967 Shares at $0.12 per Share. The Placement raised $8,765,756 for the Company. Under the Placement, Blumont and its Nominees have agreed that, within 12 months from the date the Placement Shares were issued, they will not offer all or any of the Placement Shares for sale, unless permitted to do so under the Corporations Act without a disclosure document.

The Placement has taken the collective Company shareholding of Blumont and its Nominees to 15% and was issued by DML pursuant to Listing Rule 7.1.

Shares issued under the Placement were allocated to Blumont and its Nominees as follows:
>  Blumont Copper – the Blumont Shares for the Blumont Price;
>  GA Nominee – the GA Nominee Shares for $500,000.04; and
>  IP Nominee – the IP Nominee Shares for $500,000.04.
In addition to the Placement, the Company has agreed to offer, and Blumont has agreed to subscribe for, the Convertible Bonds subject to a number of conditions (including Shareholder approval of the Convertible Bonds) [Bond Issue]. The maximum funds which can be raised under the Bond Issue, provided Shareholder approval is obtained and each Convertible Bond is issued, will be USD100 million. In summary, the Bond Issue comprises the issue of 100,000 Convertible Bonds each with a face value of USD1,000 and a term of 5 years from the date of issue.

Shareholders should note that approval for the Bond Issue is not being sought under Resolution 5 and that information on the Bond Issue included in this Explanatory Memorandum is included for context and background informational purposes only. A separate meeting will be called for Shareholders to consider the Bond Issue and a separate notice of meeting sent out to Shareholders for that purpose.

ASX Listing Rules

Pursuant to Listing Rule 7.4, Resolution 5 seeks ratification by Shareholders of the issue of the Placement Shares.

Listing Rule 7.1 prohibits the Company (subject to certain exceptions such as pro-rata issues), from issuing or agreeing to issue equity securities representing more than 15% of the Company’s total issued securities, during a rolling 12 month period, without Shareholder approval (15% Threshold).

Listing Rule 7.4 allows an issue of equity securities, for which Shareholder approval was not first obtained, to not be counted towards the 15% Threshold when Shareholder approval for that issue is subsequently obtained.

That is, Listing Rule 7.4 permits an issue of Shares to be approved retrospectively. It provides that an issue of securities is treated as having been made with Shareholder approval if ASX Listing Rule 7.1 was not breached at the time the securities were issued and Shareholders subsequently approve (ratify) the issue. The Company did not breach Listing Rule 7.1 at the time the Placement Shares were issued and now seeks Shareholder approval for the issue of the Placement Shares.

By Shareholders approving Resolution 5, the Board is given the flexibility to issue more equity securities up to the 15% Threshold over the next 12 month period. Once the issue of the Placement Shares is approved, these securities will not be counted for the purposes of the 15% Threshold.

Specific information required by ASX Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the ratification of the issue of the Placement Shares:

<table>
<thead>
<tr>
<th>REQUIRED DISCLOSURE</th>
<th>Blumont Copper</th>
<th>GA Nominee</th>
<th>IP Nominee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of securities issued</td>
<td>64,714,633 Shares</td>
<td>4,166,667 Shares</td>
<td>4,166,667 Shares</td>
</tr>
<tr>
<td>Issue price</td>
<td>$0.12 per Share</td>
<td>$0.12 per Share</td>
<td>$0.12 per Share</td>
</tr>
</tbody>
</table>

Terms of the securities

The Placement Shares are fully paid ordinary shares in the capital of the Company and rank equally in all respects with the Company’s existing Shares on issue.

Blumont, Blumont Copper, GA Nominee, and IP Nominee have agreed that they will not, within 12 months of the issue date, offer all or any of the Placement Shares for sale, unless permitted to do so under the Corporations Act without a disclosure document.

Names of allottees or basis on which determined

Blumont Copper | GA Nominee, Berne No 132 Nominees Pty Ltd <602987> | IP Nominee, Berne No 132 Nominees Pty Ltd <600835>

Use of funds

The funds raised from the Placement will be applied [in conjunction with the funds to be raised under the Convertible Bonds] as follows:

a) USD25 million in repayment of the Revolving Credit Facility;

b) USD25 million in repayment of principal of the Project Finance Facility;

c) USD5.5 million (approximately) in payment of corporate advisory fees payable under the Place and Bond Issue; and

d) the balance for development, exploration and working capital purposes as agreed between the Company and Blumont.

Impact of Shareholder approval

Importantly, Shareholders should note that:

a) Shareholder approval was not required for the issue of the Placement Shares; and

b) if Shareholder approval is not obtained for Resolution 5, the Placement will not be impacted or changed.

The impact of Shareholder approval for Resolution 5 will be the extent to which the Company’s 15% Threshold is refreshed. For example, if:

a) Resolution 5 is approved the Company’s 15% capacity under Listing Rule 7.1 will be refreshed and assuming no other securities are issued and no options currently on issue are exercised, the Company will be able to issue an additional 84,005,153 new Shares without Shareholder approval and without relying on any exceptions to the 15% Threshold; and

b) Resolutions 5 is not approved the Company’s 15% capacity under Listing Rule 7.1 will not be refreshed and assuming no other securities are issued and no options currently on issue are exercised, the Company will not be able to issue any additional Shares in the next 12 months without Shareholder approval, unless one of the exceptions to the 15% Threshold applies (such as a pro rata entitlement offer).

Voting exclusion statements are included in the Notice of Meeting.

The Board recommends that Shareholders vote FOR Resolution 5.
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In this Explanatory Memorandum and the Notice of Meeting:

**15% Threshold** has the meaning given on page 6 of the Explanatory Memorandum;

**AUD, $, AU$** are references to the Australian Dollar;

**Annual General Meeting** or **Meeting** means the annual general meeting of the Company to be convened by this Notice of Meeting [unless the context otherwise requires];

**ASX** means the Australian Securities Exchange or ASX Limited ACN 008 624 691;

**Blumont** means Blumont Group Limited [SGX: A33];

**Blumont Copper** means Blumont Copper Pte Ltd incorporated in Singapore with Company Number 201325362N;

**Blumont Price** means $7,765,755.96, being the Placement Price multiplied by the Blumont Shares;

**Blumont Shares** means the 64,714,633 Shares issued to Blumont Copper under the Placement;

**Board** means the board of Directors of the Company;

**Bond Issue** the obligation for the Company to offer and Blumont to subscribe for the Convertible Bonds;

**Chairman** means the chairman of the Board;

**Company** means Discovery Metals Limited ACN 104 924 423;

**Convertible Bonds** means the bonds proposed to be issued per the Company’s ASX announcement on 19 September 2013 which will each have a face value of USD1,000 per bond, convertible into Shares at $0.156 per Share;

**Corporations Act** means the Corporations Act 2001 (Cth);

**Directors** means the directors of the Company being as at the date of this Notice of Meeting John Shaw, Stuart Bradley Sampson, Ribson Gabonowe, Niall Lenahan, Jeremy Read and Russell Luxford;

**Excluded Persons** has the meaning given in Resolution 1;

**Explanatory Memorandum** means this explanatory memorandum that accompanies and forms part of the Notice of Meeting;

**Financial Report** means the 30 June 2013 financial report of the Company, a copy of which was lodged with ASX on 13 September 2013 under the announcement “Annual Financial Results”;

**GA Nominee** means GA Nominee, Berne No 132 Nominees Pty Ltd <602987>;

**GA Nominee Shares** means the 4,166,667 Shares issued to GA Nominee under the Placement;

**IP Nominee** means IP Nominee, Berne No 132 Nominees Pty Ltd <600835>;

**IP Nominee Shares** means the 4,166,667 Shares issued to IP Nominee under the Placement;

**Key Management Personnel** means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director [whether executive or otherwise];

**Listing Rules** means the official Listing Rules of ASX;

**Nominees** means the parties nominated by Blumont to receive the Placement Shares, being Blumont Copper, GA Nominee and IP Nominee;

**Notice of Meeting** means the notice of annual general meeting dated 11 October 2013 which this Explanatory Memorandum accompanies and in which the Resolutions are set out;

**Placement Price** means $0.12 per Share;

**Placement Shares** means the Blumont Shares, the GA Nominee Shares, and the IP Nominee Shares;

**Placement** means the issue of 73,047,967 Shares to the Nominees at the Placement Price;

**Project Finance Facility** means the facilities agreement between the Company and one line of its subsidiaries including Discovery Copper Botswana P/L and Standard Chartered Bank, Standard Bank, Caterpillar Financial Services and Credit Suisse and several of their related entities on 5 July 2011;

**Proxy Form** means a valid proxy form for this Annual General Meeting [unless the context otherwise requires];

**Remuneration Report** means the remuneration report of the Company for the year ended 30 June 2013 contained in the Financial Report;

**Resolution** means the resolutions referred to in the Notice of Meeting;

**Revolving Credit Facility** means revolving USD50 million credit facility announced by the Company on 30 October 2012;

**Share** means a fully paid ordinary share in the Company;

**Shareholder** means a holder of Shares;

**Spill Meeting** has the meaning given in Resolution 1; and

**Spill Resolution** has the meaning given in Resolution 1.
Lodge your vote:

Online: www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:
(within Australia) 1300 522 270
(outside Australia) +61 3 9415 4000

Proxy Form

Vote and view the annual report online
Go to www.investorvote.com.au or scan the QR Code with your mobile device.
Follow the instructions on the secure website to vote.

Your access information that you will need to vote:
Control Number: 999999
SRN/HIN: 9999999999
PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 11:00am (Brisbane time) Tuesday, 19 November 2013

How to Vote on Items of Business
All your securities will be voted in accordance with your directions.

Appointment of Proxy
Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms
Individual: Where the holding is in one name, the securityholder must sign.
Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.
Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting
Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate “Certificate of Appointment of Corporate Representative” prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, “Downloadable Forms”.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

GO ONLINE TO VOTE, or turn over to complete the form
Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

Proxy Form

Please mark X to indicate your directions

Appoint a Proxy to Vote on Your Behalf

I/We being a member/s of Discovery Metals Limited hereby appoint

☐ the Chairman of the Meeting OR

☐ the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Discovery Metals Limited to be held at the Christie Corporate Conference Centre, Morgan Room, Level 1, 320 Adelaide Street, Brisbane, Queensland on Thursday, 21 November 2013 at 11:00am (Brisbane time) and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

Items of Business

PLEASE NOTE: If you mark the Abstain box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

Ordinary Business

1. Adoption of Remuneration Report (non-binding resolution)

☐ For ☐ Against ☐ Abstain

2. Re-election of Director, Mr Ribson Gabonowe

☐ For ☐ Against ☐ Abstain

3. Re-election of Director, Mr Jeremy Read

☐ For ☐ Against ☐ Abstain

4. Election of Director, Mr Russell Luxford

☐ For ☐ Against ☐ Abstain

Special Business

5. Ratification of Placement Shares

☐ For ☐ Against ☐ Abstain

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

Signature of Securityholder(s)

This section must be completed.

SIGN

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Contact Name

Securityholder 2

Director

Contact Daytime Telephone

Securityholder 3

Director/Company Secretary

Date / /