Discovery Metals Limited

Expiry of Options

1,250,000 unquoted options expired on Friday, 1 November 2013. Please see the attached Appendix 3B for the updated capital structure of the Company.
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

For further information on this release and Discovery Metals Limited, please contact:

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Paul Frederiks CFO and Company Secretary Ph: +61 7 3218 0222 Paul.Frederiks@discoverymetals.com
Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX’s property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

| Discovery Metals Limited |

ABN

| 29 104 924 423 |

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

1. **Class of *securities issued or to be issued**

   **Unlisted options**

2. **Number of *securities issued or to be issued (if known) or maximum number which may be issued**

   Not applicable – 1,250,000 unquoted options have expired

3. **Principal terms of the *securities (e.g. if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if convertible securities, the conversion price and dates for conversion)**

   250,000 unquoted options with an exercise price of $0.375 and an expiry of 1 November 2013, and 1,000,000 unquoted options with an exercise price of $0.35 and an expiry of 1 November 2013.

+ See chapter 19 for defined terms.
4 Do the *securities rank equally in all respects from the *issue date with an existing *class of quoted *securities?

If the additional *securities do not rank equally, please state:
- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

N/A – the options have expired

5 Issue price or consideration

N/A – the options have expired

6 Purpose of the issue
(If issued as consideration for the acquisition of assets, clearly identify those assets)

N/A – the options have expired

7 Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

N/A – the options have expired

8 Number and *class of all *securities quoted on ASX (including the *securities in section 2 if applicable)

<table>
<thead>
<tr>
<th>Number</th>
<th>*Class</th>
</tr>
</thead>
<tbody>
<tr>
<td>560,034,418</td>
<td>Fully paid ordinary shares</td>
</tr>
</tbody>
</table>

N/A – the options have expired

* See chapter 19 for defined terms.
Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) | Not applicable

### Part 2 - Pro rata issue

Questions 11 to 33 | Not applicable

### Part 3 - Quotation of securities – Not applicable

You need only complete this section if you are applying for quotation of securities

34 Type of *securities  
(tick one)

(a) ��  *Securities described in Part 1

(b) 操  All other *securities
  Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(b)

Questions 38 to 42 | Not applicable

+ See chapter 19 for defined terms.
Quotation agreement

1. “Quotation of our additional ‘securities is in ASX’s absolute discretion. ASX may quote the ‘securities on any conditions it decides.

2. We warrant the following to ASX.
   - The issue of the ‘securities to be quoted complies with the law and is not for an illegal purpose.
   - There is no reason why those ‘securities should not be granted ‘quotation.
   - An offer of the ‘securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
     Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
   - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any ‘securities to be quoted and that no-one has any right to return any ‘securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the ‘securities be quoted.
   - If we are a trust, we warrant that no person has the right to return the ‘securities to be quoted under section 1019B of the Corporations Act at the time that we request that the ‘securities be quoted.

3. We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4. We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before ‘quotation of the ‘securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: ................................................................. Date: 4 November 2013
(Company secretary)

Print name: Paul Frederiks

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+ See chapter 19 for defined terms.