

## COMPANY UPDATE

Discovery Metals Limited (ASX/BSE: DML) (**Discovery Metals, DML** or the **Company**) announced on 18 September 2014 that it received a notice of breach from its Lenders stating that the updated Business Plan was not in a form and substance satisfactory to the Lenders, as required under the Amended and Restated Facility Agreement and that Lenders had reserved their rights. As a consequence, the Rights Issue announced on 1 September 2014 which sought to raise capital to commence development of the Zeta Underground Mine Project, was put on hold. Further, the Company's shares would remain suspended from trading until 31 October 2014 (subsequently extended until 28 November 2014), pending finalisation of discussions with the Company's Lenders.

Today, the Company confirms that discussions seeking to resolve the current situation are active and continuing, and that progress has been made since the last Company update.

DML is confident that these discussions will be progressed toward a satisfactory outcome during the coming week.

At this time, it is appropriate that DML shares remain suspended from trading for a further week, until Friday 5 December 2014, or such earlier date at which point an announcement will be made regarding the Company's position.

The suspension extension is necessary to prevent both the trading of DML shares in an uninformed market, and the risk of inappropriately prejudicing the ongoing discussions seeking to resolve the current situation.

DML will continue to update shareholders as appropriate, as these discussions progress via announcement to ASX.

# 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 Operation.

The Kalahari Copperbelt sediment-hosted mineralisation of the Boseto Copper Operation 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 km<sup>2</sup> 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)

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

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