



Mining at Zeta Pit

ASX/BSE: DML

## MARKET CAPITALISATION

Shares on Issue	442m
Share Price	A\$1.345
Market Cap	A\$594m
Cash (26 June)	US\$61m
Debt (26 June)	US\$205m

ABN 29 104 924 423

## CONTACTS

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## WEBSITE

discoverymetals.com

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Gordon Galt

Managing Director  
Brad Sampson

Non-Executive Director  
Morrice Cordiner  
Ribson Gabonowe  
Niall Lenahan  
Jeremy Read  
John Shaw

Company Secretary  
Greg Seeto

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DISCOVERY METALS LIMITED

# ASX ANNOUNCEMENT

## Discovery Metals Limited

### Drilling at Mango Intersects Thick High-Grade Copper Mineralisation over 700m Strike Length


#### Highlights:

- New drilling at the north-east of the Mango Prospect has intersected thick high grade copper-silver mineralisation.
- Significant diamond drilling intercepts include:
  - MGDD1782 - 7.0 m @ 2.5% Cu & 31 g/t Ag
  - MGDD1774 - 10.5 m @ 2.1% Cu & 15 g/t Ag
  - MGRD1776 - 11.0 m @ 1.7% Cu & 18 g/t Ag
  - MGDD1775 - 12.3 m @ 1.2% Cu & 10 g/t Ag
- The area now referred to as NE Mango 1 has a strike length of 2 kilometres and contains a higher grade and thicker zone of copper silver mineralisation over 700 meters of strike.
- Maiden Inferred Mineral Resources estimate expected to be completed in the September Quarter.
- Development strategy for Mango under assessment.

Discovery Metals Limited ('Discovery Metals' or 'Company') reports results from drilling at the Mango Prospect. This portion of the Prospect is referred to as **NE Mango 1** and is within the Company's 100% owned Prospecting Licences in the Kalahari Copperbelt of north-west Botswana (Figure 1).

Discovery Metals' Managing Director, Brad Sampson said, ***"We are very encouraged by the high grade nature of the recent drilling completed at NE Mango 1, with a number of holes recording intervals over 2% copper. Consequently, NE Mango 1 is developing into an important prospect for Discovery Metals."***

The **NE Mango 1** prospect is located in the Boseto Zone (Figure 2) and is less than 25 kilometres away from the 100% owned Boseto Copper Project (Figure 3), which should allow trucking and processing of any economical copper mineralisation from **NE Mango 1** through the Boseto concentrator.



The Boseto Copper Project has recently been commissioned and production of copper – silver concentrate has commenced. Planned production is approximately 36,000 tonnes of copper and 1.1 million ounces of silver per annum over an initial evaluated mine life of 15 years.

Drilling results from this Prospect were initially reported as the Mango Prospect in September 2011. Subsequent discoveries of new Prospects within the Mango area has required the definition and re-naming of the Prospects to NE Mango 1, NE Mango 2 and SW Mango.

Initial drilling of the Mango Prospect, conducted by Discovery Metals in the middle of 2011 showed that the mineralisation extended from the Prospecting Licence boundary to the south-west, with the results being reported in September 2011. The drilling reported here is expected to provide sufficient data to enable an initial estimate of Mineral Resources at **NE Mango 1**.

Drilling has now tested a strike length of 2.5 kilometers of **NE Mango 1** at spacing ranging from 200 metres to 400 metres along strike (Figure 4) and to a vertical depth of 150 metres. Within Discovery Metals' Prospecting Licences, there is a strike length of approximately 700 meters of higher grade copper-silver mineralisation hosted by massive limestone. To the south-west of this high grade zone, the copper-silver mineralisation appears to split into two zones of narrow lower grade mineralisation, separated by waste rock.

Drill Holes MGDD1785 and MGRD1780 both intersected copper-silver mineralisation but seem to close-off the mineralisation to the south-west (Figure 4). Within the two domains of higher grade and lower grade mineralisation, drilling has demonstrated continuity of grade and thickness along strike and down-dip. The down-dip potential is currently limited by the Prospecting Licence boundary (Figures 5, 6 and 7).

There are approximately 30 metres of unconsolidated Kalahari Sands and calcrete overlying the mineralisation at **NE Mango 1**. Logging of drill holes indicates that the top of the sulphide zone occurs at a vertical depth of approximately 70 metres from surface. At the nearby Zeta open pit, sand cover typically is less than 10 metres and sulphide mineralisation is generally within 35 metres of the surface.

The sulphide copper mineralisation at **NE Mango 1** is primarily bornite with significant amounts of chalcocite and minor chalcopyrite.

An Inferred Mineral Resource is currently being estimated for **NE Mango 1**. It is anticipated that this work will be completed in the third quarter of 2012.

Work continues to assess the full potential of the entire Mango Prospect with 3 distinct copper-silver Prospects discovered to date. It is currently planned to complete sufficient drilling to enable an estimate of Inferred Mineral Resources in all 3 Prospects by the middle of 2013.

Drilling to date within these 3 Prospects suggests that there is potential for both open pit and underground mining. All 3 Prospects are within 30 kilometres of the Boseto Concentrator. At this stage it is contemplated that mineralisation from Mango would feed the Boseto Concentrator and contribute to the expansion and an increased life of the Boseto Copper Project.

HoleID	Section	Northing/ Easting (m) WGS84 SUTM34	Azi/Dip	Total Depth (m)	Min. From (m)	Min. To (m)	Geochemical Results over down hole thickness (0.3% Cu cut-off)
MGDD1772	51800N	7715669/ 728110	320/-60	118.1	82.5	91.0	8.5 m @ 1.6% Cu & 21 g/t
							Including
					83.5	90.5	7.0 m @ 1.8% Cu & 25 g/t
MGDD1773	51800N	7715635/ 728138	320/-75	181.6	105.0	106.0	1.0 m @ 0.5% Cu & 7 g/t
							Including
					141.0	151.0	10.0 m @ 1.5% Cu & 16
MGDD1774	51600N	7715581/ 727923	324/-60	99.0	143.0	150.0	7.0 m @ 1.9% Cu & 21 g/t
							Including
					58.5	69.0	10.5 m @ 2.1% Cu & 15 g/t
MGDD1775	51400N	7715468/ 727767	324/-60	108.0	59.5	68.3	8.8 m @ 2.5% Cu & 18 g/t
							Including
					91.0	92.2	1.2 m @ 0.4% Cu & 5 g/t
MGRD1776	51600N	7715509/ 727979	324/-60	180.5	69.9	82.2	16.0 m @ 1.0% Cu & 8 g/t
							Including
					70.6	76.0	5.4 m @ 1.8% Cu & 13 g/t
							And
					79.6	82.2	2.6 m @ 1.1% Cu @ 12 g/t
MGRD1780	50400N	7714823/ 727005	320/-60	197.4	85.0	85.9	0.9 m @ 1.1% Cu & insign
							Including
					142.0	153.0	11.0 m @ 1.7% Cu & 18 g/t
MGRD1781	49950N	7714557/ 726670	335/-60	208.4	145.1	153.0	7.9 m @ 2.2% Cu & 25 g/t
							Including
					174.0	174.7	0.7 m @ 0.4% Cu & 5 g/t
MGDD1782	51400N	7715413/ 727811	325/-60	177.1	156.6	157.5	0.9 m @ 0.4% Cu & 9 g/t Ag
							Including
					168.0	174.0	6.0 m @ 0.9% Cu & 9 g/t
MGDD1783	51150N	7715315/ 727613	324/-60	144.1	172.0	173.0	1.0 m @ 3.0 % Cu & 36 g/t
							Including
					184.0	186.0	2.0 m @ 1.2% Cu & 15 g/t
MGDD1784	50800N	7715075/ 727304	324/-60	170.9	185.0	186.0	1.0 m @ 1.5% Cu & 19 g/t
							Including
					136.0	143.0	7.0 m @ 2.5% Cu & 31 g/t
MGDD1785	49950N	7714625/ 726607	324/-60	120.1	136.0	142.0	6.0 m @ 2.8% Cu & 35 g/t
							Including
					146.5	147.7	1.2 m @ 0.7% Cu & insign.
MGDD1786	50400N	7714887/ 726958	325/-60	126.1	163.5	164.1	0.6 m @ 0.4% Cu & 3 g/t
							Including
					110	115.3	5.3 m @ 0.4% Cu & 3 g/t
MGDD1787	50800N	7715075/ 727304	324/-60	170.9	113.5	114.2	0.7 m @ 1.1% Cu & 14 g/t
							Including
					120.6	121.0	0.4 m @ 0.6% Cu & 3 g/t
MGDD1788	49950N	7714625/ 726607	324/-60	120.1	144.0	146.0	2.0 m @ 0.5% Cu & insign.
							Including
					150.0	152.0	2.0 m @ 0.6% Cu & insign.
MGDD1789	50400N	7714887/ 726958	325/-60	126.1	94.9	96.9	2.0 m @ 2.3% Cu & 22 g/t Ag
							Including
					96.1	102.0	5.9 m @ 0.9% Cu & 8 g/t
					99.5	101.0	1.5 m @ 2.0% Cu & 26 g/t



Zeta Pit



Caterpillar dump truck and grader



Crushed ore bin and flotation circuit



Continuing Fleet Assembly

#### CONTACT DETAILS

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### Competent Persons Statement

The information in this report as it relates to exploration results is based on information compiled by Mr Wallace Mackay who is a Member of the Australian Institute of Geoscientists. Mr Mackay is employed full-time by Discovery Metals Limited. Mr Mackay has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code).

Mr Mackay consents to the inclusion in this report of the matters pertaining to the exploration results based on information provided by him, and in the form and context in which it appears.

### 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 development company focused on the emerging Kalahari Copperbelt in northwest 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 11,872 km<sup>2</sup> along the Kalahari Copperbelt.

**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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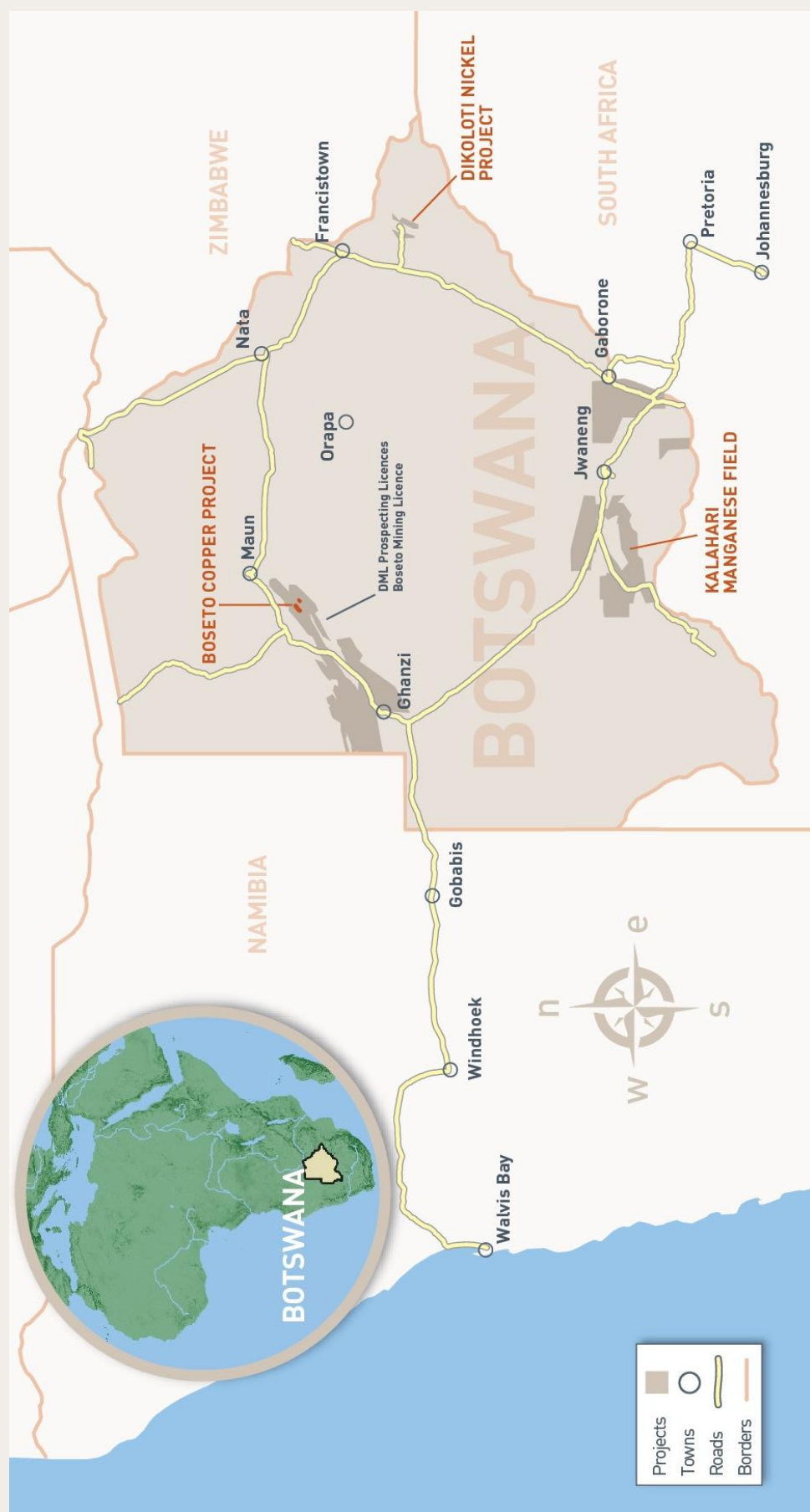


Figure 1. Discovery Metals' Botswana Projects

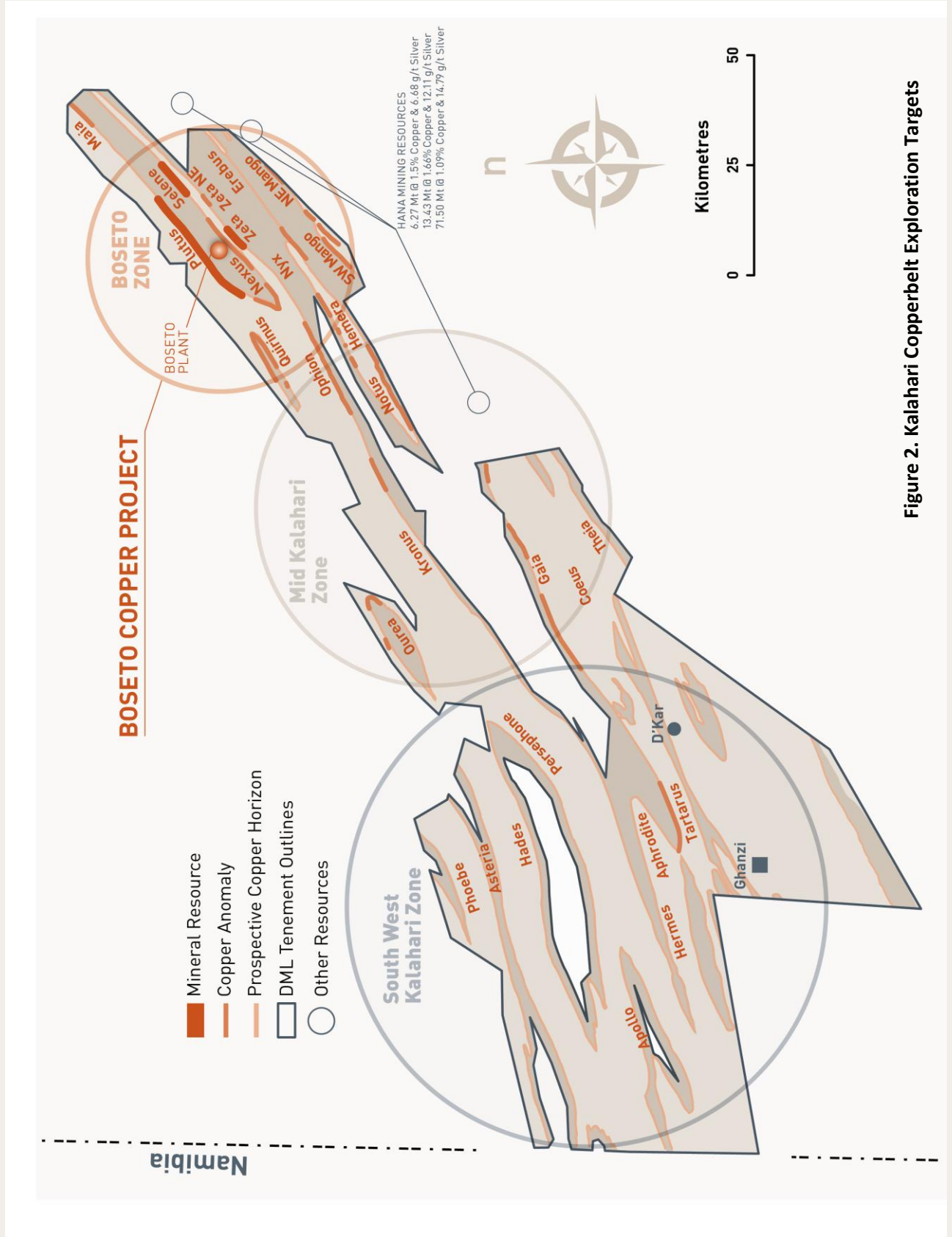
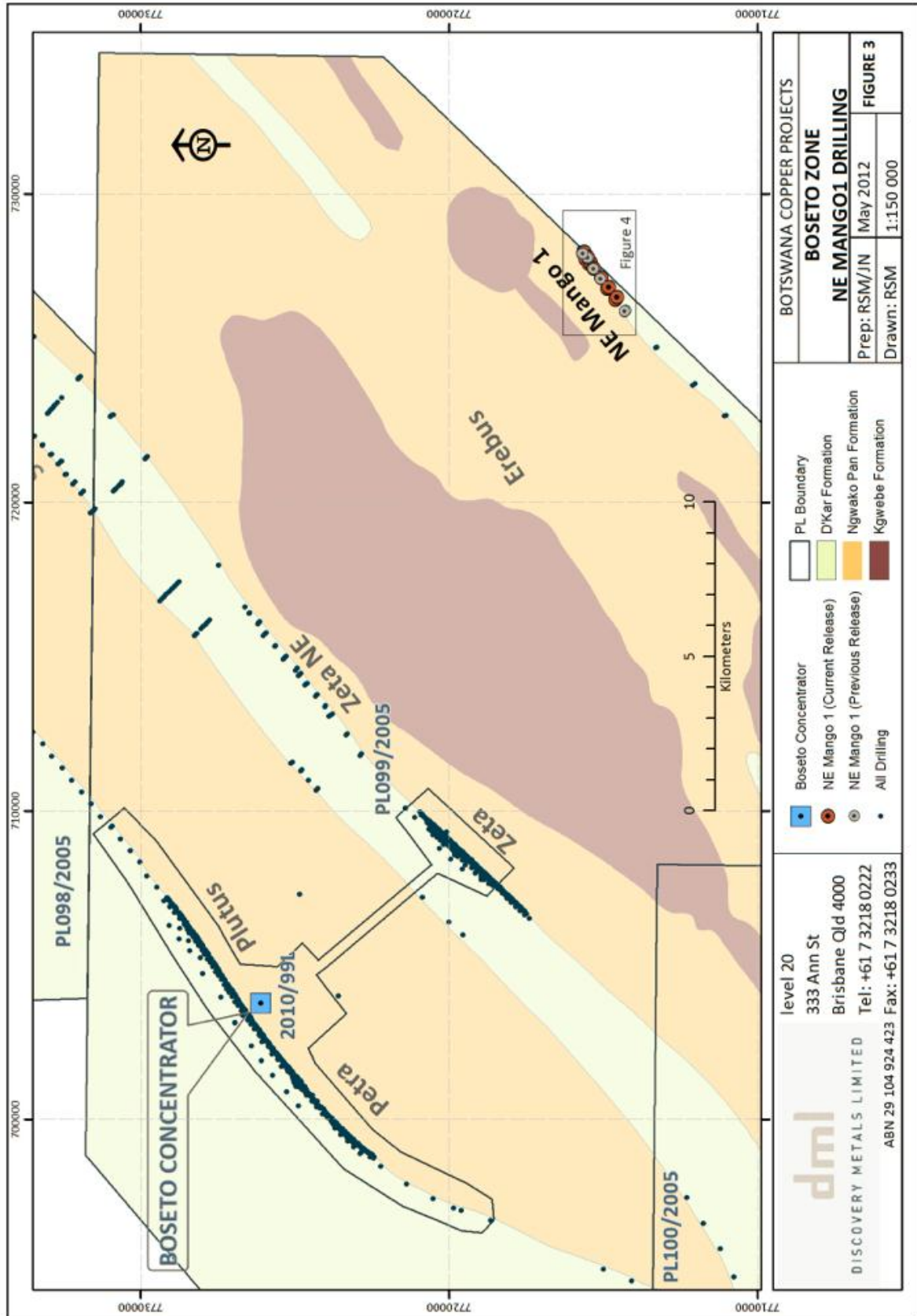
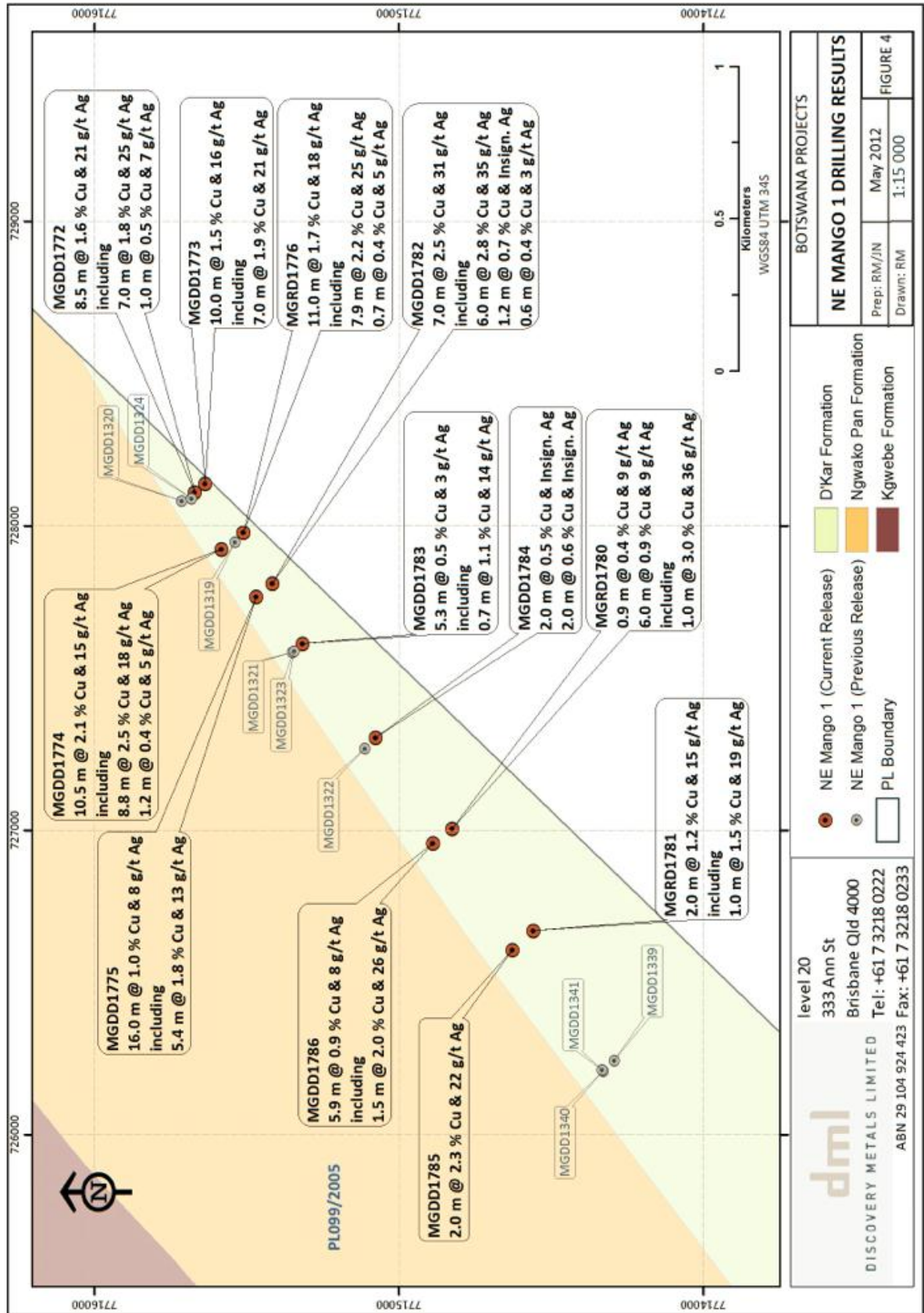
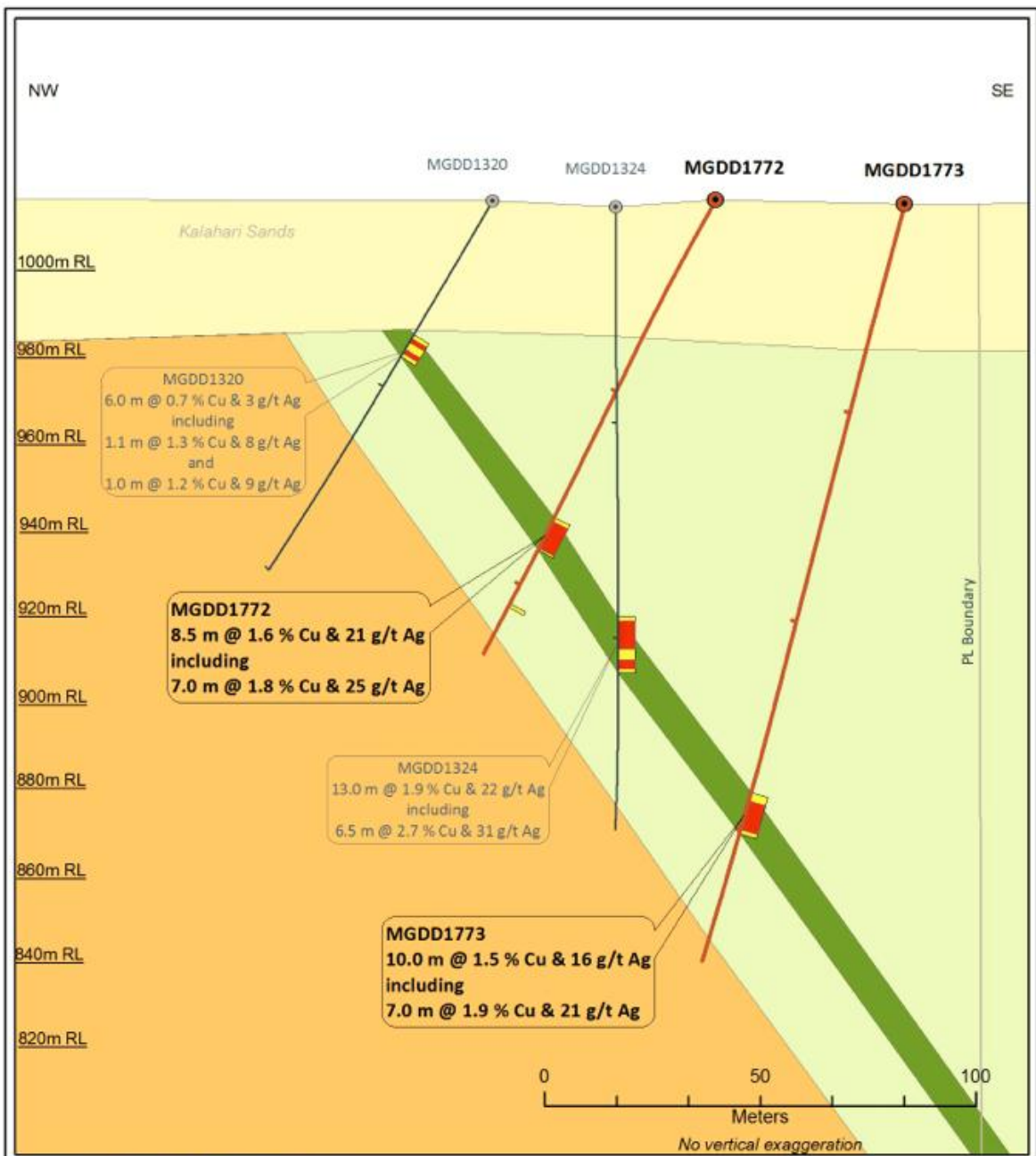


Figure 2. Kalahari Copperbelt Exploration Targets









**New Results**

- Drill hole showing Cu & Ag intersection
- Hangingwall Siltstone/mudstone
- Copper/Silver Mineralisation
- Footwall Sandstone/Grits

NE MANGO PROSPECT, KALAHARI COPPER PROJECT  
**DRILLHOLE CROSS SECTION**  
 SECTION 51800N

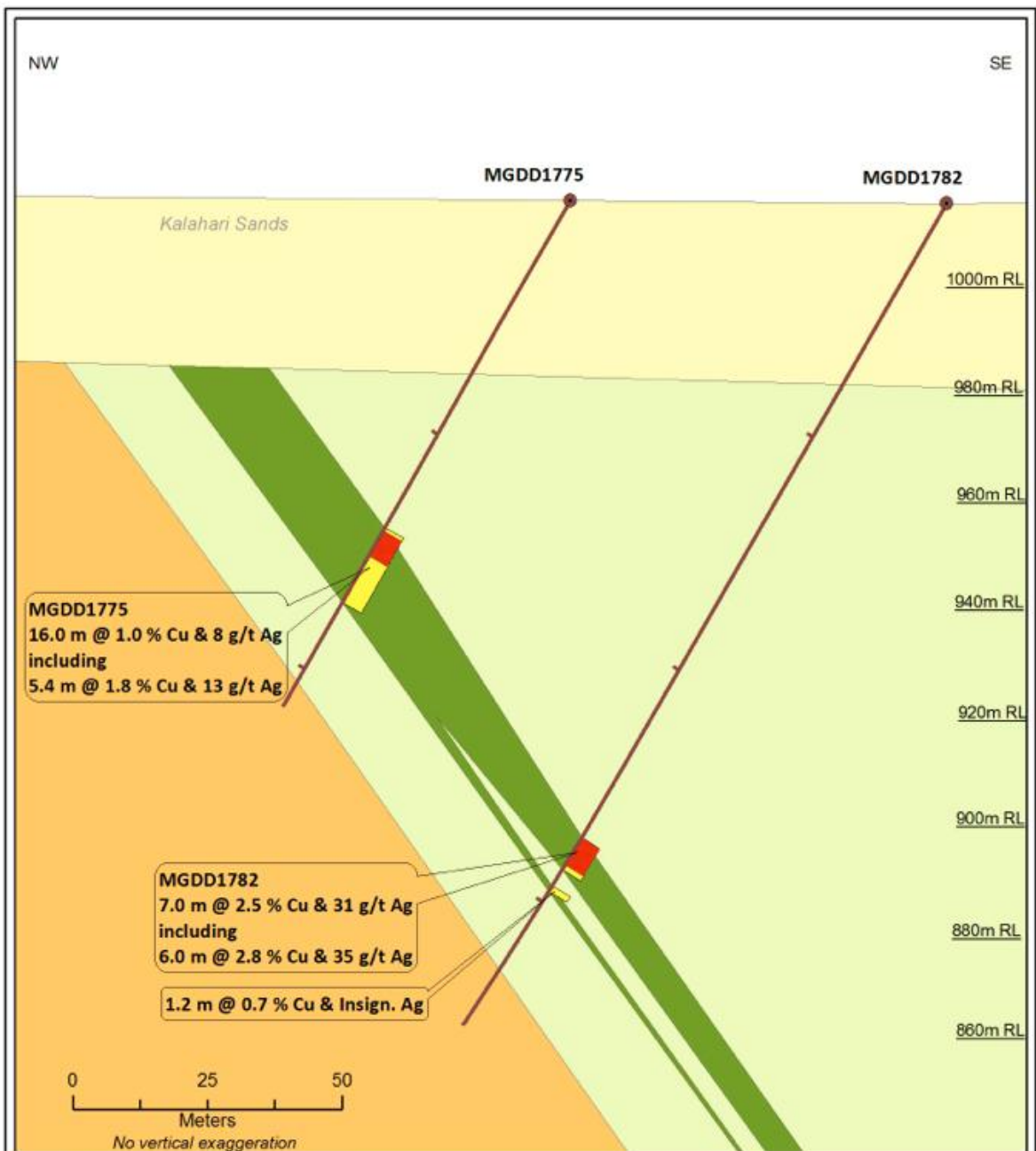
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Prepared: JN | 2012/05/24  
 Drawn: KM

**FIGURE 5**



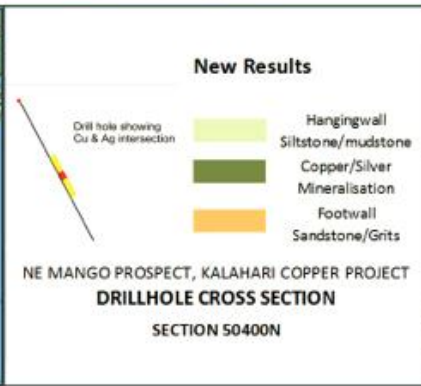
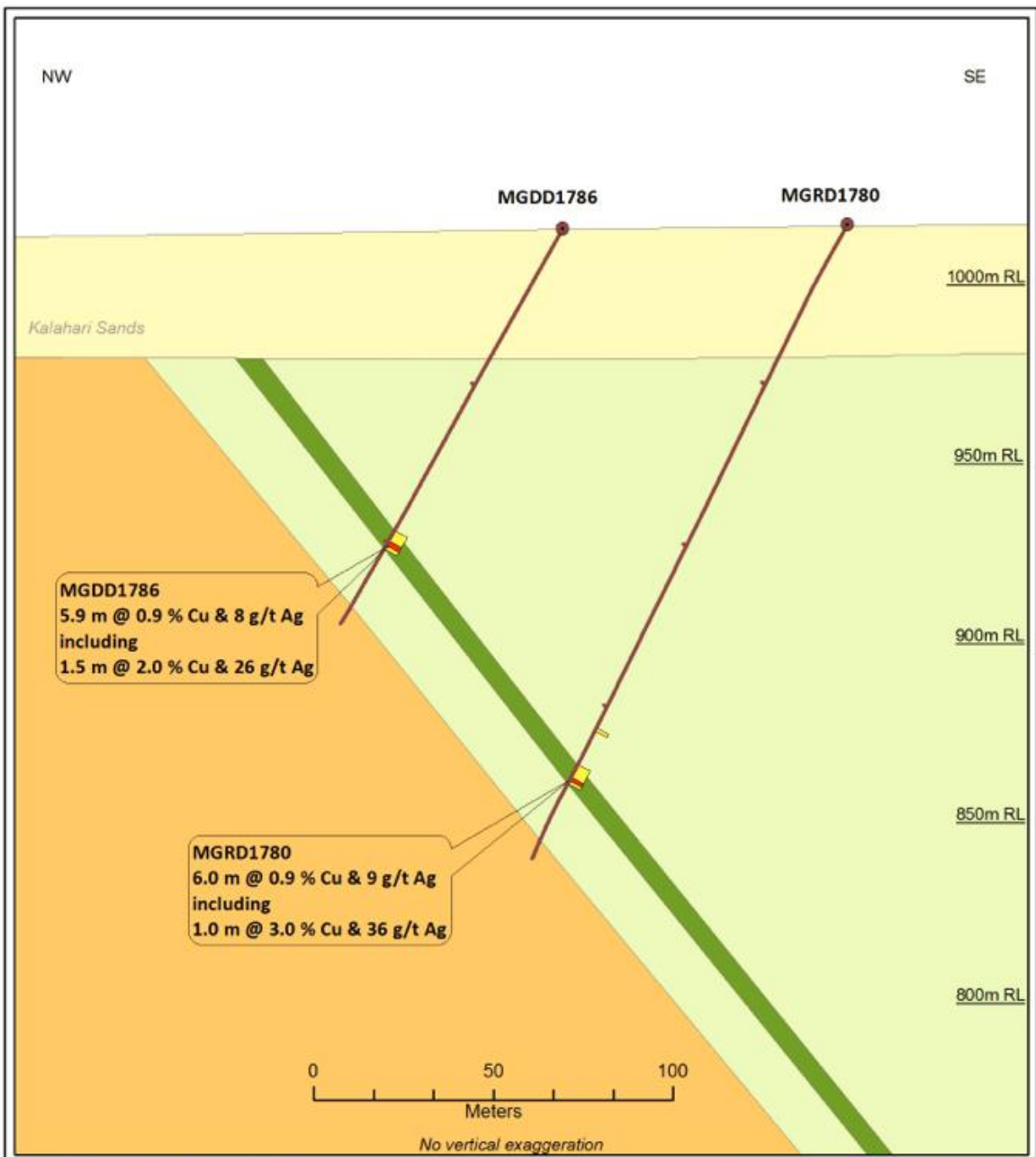
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**FIGURE 6**



**dml**  
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**FIGURE 7**