



Mining at Zeta Pit

ASX ANNOUNCEMENT

Discovery Metals Limited

Boseto Operations Update June 2013

ASX/BSE: DML

MARKET CAPITALISATION

Shares on Issue 487m
Share Price A\$0.13
Market Cap A\$63m
Cash in bank (30/6) US\$20.4m
Debt US\$153.9m

ABN 29 104 924 423

CONTACTS

Brad Sampson
Managing Director
Phone: +61 (7) 3218 0222

Paul Frederiks
Chief Financial Officer
Phone: +61 (7) 3218 0222

WEBSITE
discoverymetals.com

BOARD OF DIRECTORS

Chairman
John Shaw

Managing Director
Brad Sampson

Non-Executive Directors

Ribson Gabonowe
Niall Lenahan
Jeremy Read

Company Secretary
Gregory Seeto

REGISTERED OFFICE

Level 23, 333 Ann Street
Brisbane QLD 4000, Australia
Phone: +61 (7) 3218 0222
Fax: +61 (7) 3218 0233
info@discoverymetals.com

BOTSWANA COUNTRY OFFICE
Plot 21314 Sebele Station Road
Phakalane, Gaborone,
Botswana
Phone: +267 318 0751
Fax: +267 318 0752



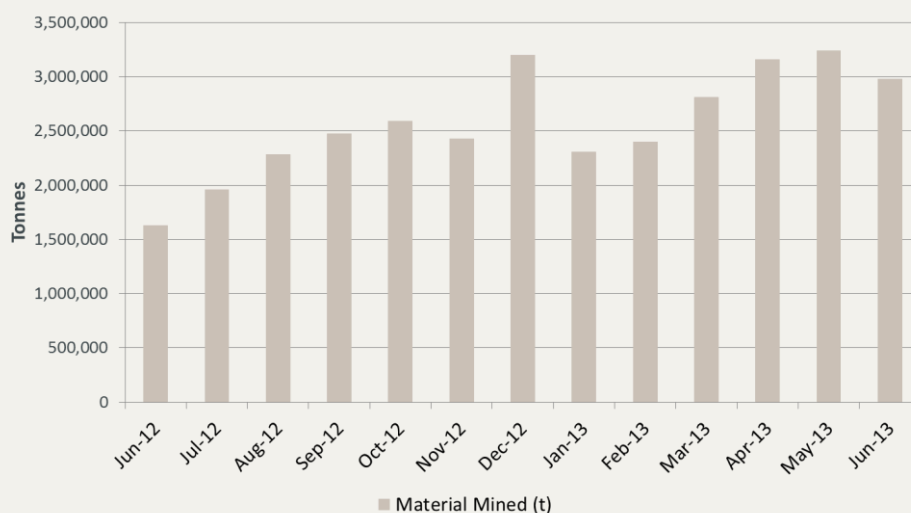
DISCOVERY METALS LIMITED

HIGHLIGHTS

- **Record Metal Production** of 1,952 tonnes of contained **copper** and 81,380 oz of contained **silver**.
- **Copper production increased 14% and silver production improved 8% over the May performance.**
- **Material movement** of ~3 Mt from the two operating open pits.
- 211 kt ore processed from both the Zeta and Plutus ore bodies, at an average head grade of 1.06% Cu and 14.3 g/t Ag. This includes Zeta sulphide ore with a grade of 1.33% Cu and 18.6 g/t Ag.
- Overall copper recovery of 87.4% and silver recovery of 84%.
- June performance outcomes continue the ramp up in copper production and further improvement anticipated in July.

Mining

Material Mined (tonnes)



Mining production (waste plus ore) for June 2013 was 2.98 Mt.

At the end of June blasted stocks (Ore + Waste) of 2.14 million tonnes were available for mining in the two open pits.

Developing a new
copper frontier

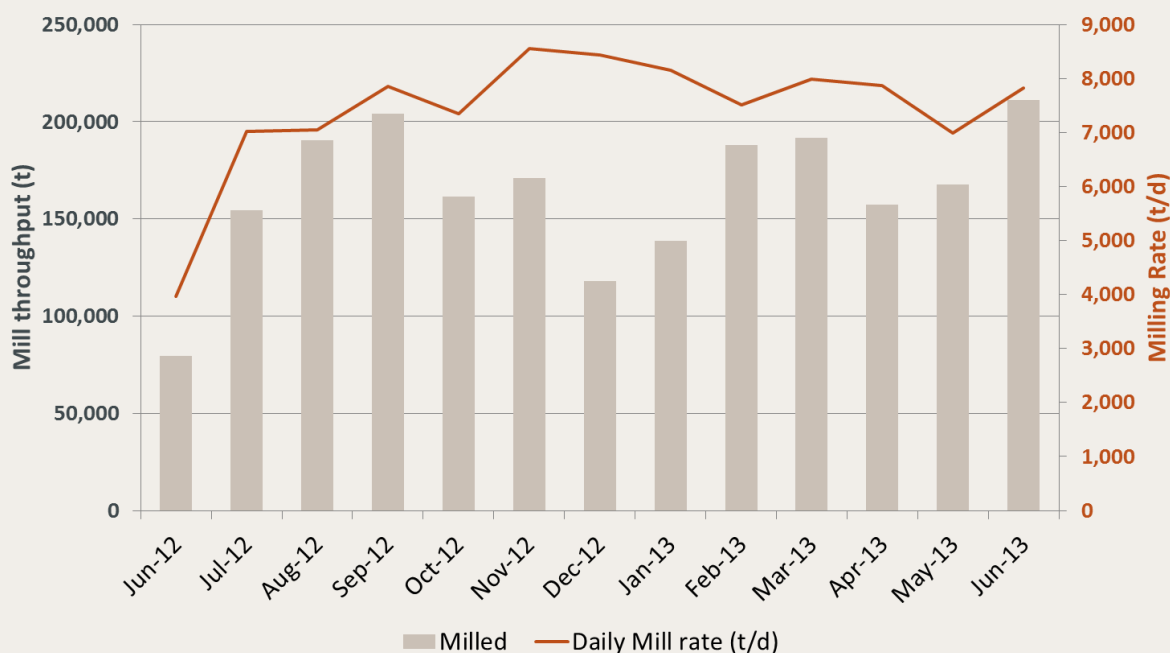
Mining during June continued in both the Zeta and Plutus Open Pits.

Within the Zeta Open Pit both sulphide ore and low-grade material were mined while in the Plutus Open Pit, oxide and transitional ores were mined and the first of the sulphide ore was exposed.

Concentrator

During June, 211 kt of ore was processed containing 1.06% Cu and 14.3 g/t Ag.

Mill Production & Milling Rate per operating day



Total mill throughput consisted of:

- Zeta sulphide ore: 140 kt @ 1.33% copper and 18.6 g/t Ag
- Zeta low grade material 51 kt @ 0.35% copper and 4.4 g/t Ag
- Plutus transitional ore 29.3 kt @ 0.95% copper and 9.1 g/t Ag

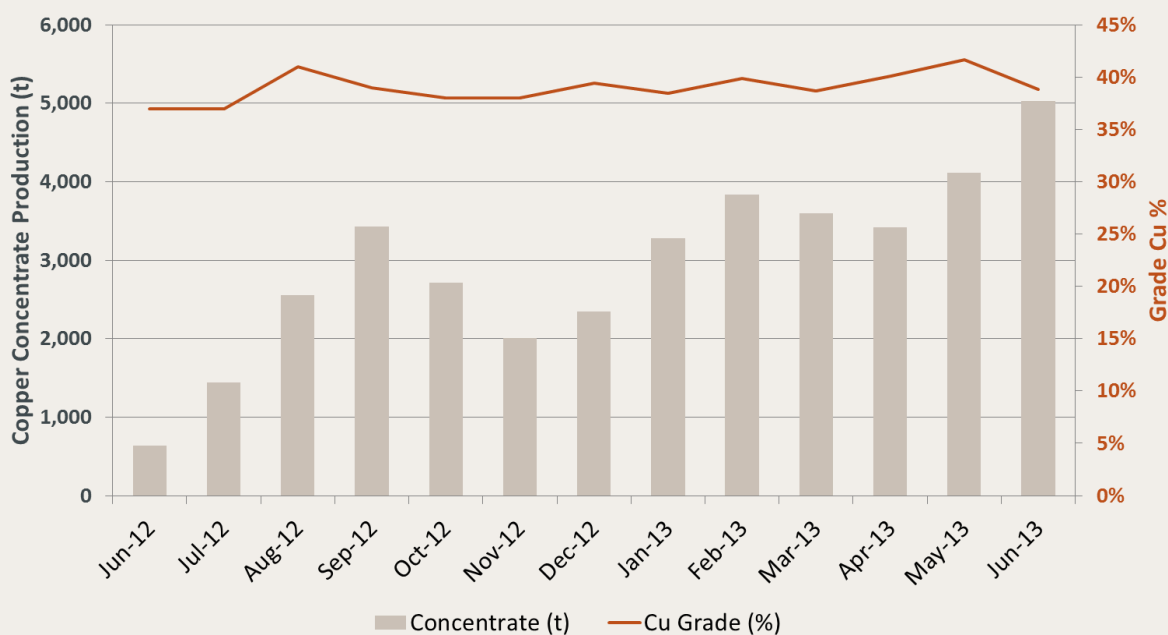
Average metallurgical recoveries of 87.4% of copper and 84% of silver were achieved for the month. Overall copper recovery is in line with expectations and silver recovery continues to outperform the original estimates.

Metal production

Concentrate production in June was 5,029 tonnes at 38.8% copper and 503 g/t silver containing 1,952 tonnes of copper and 81,380 ounces of silver.

This was the highest monthly metal production figure from the Boseto Copper Project to date and continues the planned production improvement. Further production improvement is anticipated in July.

Concentrate Production and Grade



Additional information is expected to be provided in the Company's Quarterly Activities and Cashflow Report.



Dump truck transporting a load of ore



Workers at the Boseto Copper Project



Concentrate shed



Bagged concentrate

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 26,919 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:

Brad Sampson Managing Director Ph: +61 7 3218 0222 brad@discoverymetals.com

UK PR – Tavistock PR, Contact Jos Simson/Emily Fenton
Ph +44 207 920 3150 or +44 778 855 4035

CONTACT DETAILS

Level 23, 333 Ann Street,
Brisbane, QLD 4000, Australia
Phone: +61 (7) 3218 0222
Fax: +61 (7) 3218 0233
info@discoverymetals.com



DISCOVERY METALS LIMITED

Developing a new
copper frontier