



Mining at Zeta Pit

ASX ANNOUNCEMENT

Discovery Metals Limited

Update on potential change of control process

ASX/BSE: DML

MARKET CAPITALISATION

Shares on Issue	487m
Share Price	A\$0.135
Market Cap	A\$66m
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

Further to Discovery Metals Limited's announcement of 11 June 2013, the Company wishes to inform shareholders that Discovery Metals continues to be in discussions with interested parties in relation to a potential transaction.

Additionally, the lenders have now provided the Company further support. The lenders have waived the requirement that the Company be required to make an additional equity contribution of \$30m to the project by 15 August 2013. An additional event of default will occur if the Board has not recommended a bid to acquire the Company by 31 July 2013 or the Company has not agreed investment terms with a cornerstone investor that are satisfactory to the lenders.

The lenders have not waived the existing defaults announced on 21 May 2013, but have not taken any action in respect of those defaults.

Mineral Resources and Ore Reserves

As previously advised, Mineral Resources and Ore Reserves are being re-estimated for the Zeta and Plutus Open Pits and for the Zeta Underground.

This work is nearing completion and the Company envisages that the updated Mineral Resources estimates for the Zeta and Plutus deposits and the Ore Reserves restatement should be ready for release mid July 2013.



Dump truck transporting a load of ore



Workers at the Boseto Copper Project



Concentrate shed



Bagged concentrate

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

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 11,872 km² along the Kalahari Copperbelt.

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

Developing a new
copper frontier