

# ASX ANNOUNCEMENT

## Discovery Metals Limited

### Rights Issue Successfully Completed Raising A\$91 million

#### Highlights

- Rights Issue successfully completed raising approximately A\$91 million
- Strong demand received from shareholders with 90% take-up.
- All additional entitlements from retail shareholders were accepted.
- Funds will be applied to the construction of the Boseto copper project in northwest Botswana.

#### Details

Discovery Metals announces that it has successfully completed its 1 for 4 non-renounceable Rights Issue which was announced on 4 November 2010. The Rights Issue raised proceeds of approximately A\$91 million (before expenses) at an issue price of A\$1.05 (BWP6.825) per share. This follows the successful completion of the underwritten Placement which raised approximately A\$51 million.

Discovery Metals accepted applications for approximately A\$82.1 million being 78,183,434 shares, including applications for up to 50% additional entitlements from existing shareholders. We are pleased to announce we have accepted all complying additional entitlement requests from our retail shareholders

As the Rights Issue was fully underwritten, subscriptions for the remaining 8,692,212 Rights Issue Shares have been obtained under the terms of the underwriting agreement.

Managing Director of Discovery Metals, Brad Sampson said that "This successful Rights Issue completes the equity raising requirements for the Boseto copper project and reflects the strong shareholder support we received. The debt portion of the project financing is progressing well."

Discovery Metals will issue 86,875,646 shares in relation to the Rights Issue. Final allocations are subject to a reconciliation and audit process currently being conducted by Discovery Metals' share registry. The allotment of Rights Issue Shares will be completed on 10 December 2010. The Rights Issue Shares are expected to commence normal trading on the Australian Securities Exchange on 13 December 2010. Holding statements will be despatched to participants from 16 December 2010.

The Company still requires Botswana Department of Mines approval for the mining licence, with discussions and exchange of information with the department well advanced.

Clearing Boseto access road

ASX:DML AIM: DME  
BSE: DML

#### MARKET CAP AND ENTERPRISE VALUE

Shares on Issue	\$349m
Share Price	\$1.355
Market Cap	\$473m
Net Cash	\$75m

#### CONTACTS

Brad Sampson  
Managing Director  
Phone: +61 (7) 3218 0200  
Mobile: +61 (4) 3877 1037

Paul Fulton  
Chief Financial Officer  
Phone: +61 (7) 3218 0218  
Mobile: +61 (4) 0054 4831

#### WEBSITE

discoverymetals.com.au

#### BOARD OF DIRECTORS

**Chairman**  
Gordon Galt

**Managing Director**  
Brad Sampson

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

**Company Secretary**  
Roslynn Shand

#### REGISTERED OFFICE

Level 20, 333 Ann Street,  
Brisbane, QLD 4000, Australia  
Phone: +61 (7) 3218 0222  
Fax: +61 (7) 3218 0233  
info@discoverymetals.com.au

#### BOTSWANA COUNTRY OFFICE

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



DISCOVERY METALS LIMITED

Developing a new  
copper frontier



Baobab tree at Kgwebe Hills



Sunset from Kgwebe Hills



Scott Drilling contractor



Preparing diamond drill core

## Boseto Project Background

Discovery Metals is an ASX/AIM/BSE listed copper exploration and development company focused on the emerging Kalahari Copperbelt in northwest Botswana. The Company is currently developing its 100% owned Boseto copper project towards production in the first half of 2012.

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 9,656 km<sup>2</sup> along the Kalahari Copperbelt.

**Further information on the Company including Mineral Resources and Ore Reserves is available on its website: [www.discoverymetals.com.au](http://www.discoverymetals.com.au)**

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

**Brad Sampson** Managing Director Ph: +61 7 3218 0200 or Mob: +61 4 3877 1037  
[brad@discoverymetals.com.au](mailto:brad@discoverymetals.com.au)

**AIM Nominated Advisor** – Fairfax I.S. PLC,

Contact Ewan Leggat/Laura Littlely Ph: +44 20 7460 4389 or 7460 4387

**UK PR** – Conduit PR,

Contact Jos Simpson/Emily Fenton Ph +44 207 429 6603 or 7899 870 450

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