

23 September 2014

ORGANISATIONAL UPDATE

CEO Position Confirmed

Discovery Metals Limited (ASX/BSE:DML) (**Discovery Metals, DML or the Company**) is pleased to announce that Mr Robert (**Bob**) Fulker has been confirmed as Chief Executive Officer of the Company, with effect from 18 September 2014. Details of Mr Fulker's remuneration are set out in Appendix One to this Announcement.

Mr Jeremy Read, Executive Chairman of DML commented *"I am delighted that Bob has been confirmed in his role as CEO. Bob has served as the interim CEO since 4 November 2013 and has led the Company through many challenging corporate and operational periods. He has been instrumental in turning around the production at the Boseto Mine Operation, with record production achieved in April, July and August this year."*

Bob is a highly experienced mining professional with more than 29 years' experience in senior leadership positions across the industry. He has a broad foundation of experience in metalliferous, coal and ferrous commodities in both underground and open pit operations. Business improvement and focused operational effectiveness has been the key to successful operational turnarounds in recent years. Previous roles include the Chief Operations Officer with DML and executive management roles with various mining houses, the most recent being with BHP Billiton in their Base Metals Division.

Chairman Role

The Company also announces that with the confirmation of Bob Fulker as CEO, Mr Jeremy Read has stepped down as Executive Chairman to Non-Executive Chairman, effective from the same date. Jeremy took on the Executive Chairman role as a temporary position (ASX Announcement 26 June 2014) to assist the Company in its proposed equity recapitalisation. The Company thanks Jeremy for his tireless work and dedication in that role.

Non-Executive Director Appointment

As announced on 29 August 2014, Mr Paul Frederiks resigned as Chief Financial Officer and Company Secretary of the Company. Paul will be appointed as a Non-Executive Director to the Discovery Metals Limited Board upon the finalisation of discussions with lenders regarding the Business Plan condition subsequent (refer ASX Announcement 18 September 2014). Paul continues to serve as an observer to the Board and provide valuable assistance to the Company.

DML Share Plan

The Board of Discovery Metals has resolved to wind up the Discovery Metals Limited Employee and Director Share Plan. As part of this process, the Company attaches an appendix 3Y for Non-Executive Directors Ribson Gabonowe and Jeremy Read respectively.

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Appendix One – Terms of Employment Agreement with CEO

In accordance with ASX Listing Rule 3.16.4, DML makes the following disclosures in respect of the key terms of the employment agreement entered into with its Chief Executive Officer, Mr Robert (Bob) Fulker.

Term of the Appointment

Mr Fulker has been appointed Chief Executive Officer with effect from 18 September 2014, with no fixed term.

Remuneration

The remuneration payable to Mr Fulker will be a continuation of his current salary and employment conditions, the details of which include:

1. a total fixed remuneration of \$450,000 per annum, inclusive of superannuation at the statutory rate under the superannuation guarantee legislation; and
2. participation in incentive arrangements offered by the Company.

Mr Fulker's remuneration package will be reviewed annually in any executive plans if and when required.

Termination

The Agreement may be terminated by the Company giving 12 months' notice, or Mr Fulker giving 6 months' notice.

Restraint

Mr Fulker will be restrained for no less than 12 months following cessation of his employment with DML from taking a position in a competitive business.

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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 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:

Bob Fulker - CEO

Phone: +61 7 3218 0222 / Email: Bob.Fulker@discoverymetals.com

Kerry Parker - CFO and Company Secretary

Phone: +61 7 3218 0222 / Email: Kerry.Parker@discoverymetals.com

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	DISCOVERY METALS LIMITED
ABN	29 104 924 423

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Ribson Champion Gabonowe
Date of last notice	1 March 2012

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and indirect
Nature of indirect interest (including registered holder) <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Indirect interest held by: the trustee of the Discovery Metals Limited Employee and Director Share Plan (see Notice of Meeting of 25 January 2010) (" Share Plan ").
Date of change	23 September 2014
No. of securities held prior to change	Indirect interest: (a) 500,000 fully paid ordinary shares (subject to vesting conditions) held by the trustee of the Share Plan; and Direct interest: (b) 953,694 fully paid ordinary shares.
Class	Fully paid ordinary shares
Number acquired	Nil

+ See chapter 19 for defined terms.

Number disposed	250,000 shares held by the trustee of the share plan vested and 250,000 shares were forfeited as a result of vesting conditions not being met.
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	N/A – release and lapse of shares under Share Plan
No. of securities held after change	Direct interest: 1,203,694 fully paid ordinary shares.
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Off-market trade - Release of the Tranche 1 shares under Share Plan and forfeiture of Tranche 4 shares under Share Plan.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A

+ See chapter 19 for defined terms.

Interest after change	N/A
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Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/09/01 Amended 01/01/11

Name of entity	DISCOVERY METALS LIMITED
ABN	29 104 924 423

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Jeremy Read
Date of last notice	29 October 2013

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Indirect interest held by: (a) the trustee of the Discovery Metals Limited Employee and Director Share Plan (see Notice of Meeting of 25 January 2010) ("Share Plan"); and (b) the trustee for the Read Family Super Fund ("Super Fund").
Date of change	23 September 2014
No. of securities held prior to change	Indirect Interest: (a) 500,000 fully paid ordinary shares (subject to vesting conditions) held by the trustee of the Share Plan; and (b) 329,268 fully paid ordinary shares held by the trustee of the Super Fund.
Class	Fully paid ordinary shares
Number acquired	Nil

+ See chapter 19 for defined terms.

Appendix 3Y
Change of Director's Interest Notice

Number disposed	250,000 shares held by the trustee of the share plan vested and 250,000 shares were forfeited as a result of vesting conditions not being met.
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	N/A – release and lapse of shares under Share Plan
No. of securities held after change	Indirect Interest: 329,268 fully paid ordinary shares held by the trustee of the Super Fund. Direct Interest 250,000 fully paid ordinary shares
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Off-market trade - Release of the Tranche 1 shares under Share Plan and forfeiture of Tranche 4 shares under Share Plan.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	N/A
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A
Interest after change	N/A

+ See chapter 19 for defined terms.

Part 3 – ⁺Closed period

Were the interests in the securities or contracts detailed above traded during a ⁺closed period where prior written clearance was required?	No
If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

⁺ See chapter 19 for defined terms.