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Discoverymetals

July 24, 2019

DISCOVERY METALS CLOSES \$9.0 MILLION PRIVATE PLACEMENT WITH \$7.7 MILLION INVESTMENT FROM ERIC SPROTT

Toronto, Ontario – Discovery Metals Corp. (“**Discovery**”) (TSXV: DSV) is pleased to announce that it has closed its non-brokered private placement (the “**Private Placement**”) previously announced on July 18, 2019, raising \$9,004,770 through the issuance of 23,216,174 common shares (“**Common Shares**”) at a price of \$0.23 per Common Share and 15,935,000 subscription receipts (“**Subscription Receipts**”) at a price of \$0.23 per Subscription Receipt.

Mr. Eric Sprott (through 2176423 Ontario Ltd., a corporation which is beneficially owned by him) acquired 17,564,000 Common Shares of the Private Placement, and as a result he is now the beneficial owner of 19.9% of Discovery’s issued and outstanding Common Shares. Prior to the closing of the Private Placement, Mr. Sprott did not hold any securities of Discovery. In addition, Mr. Sprott has acquired 15,935,000 Subscription Receipts that, if converted, will maintain his 19.9% interest in Discovery after completion of the acquisition of Levon Resources Ltd (“**Levon**”), as described below. Mr. Sprott’s total investment in Discovery through the Private Placement is \$7,704,770 comprised of \$4,039,720 for the Common Shares and \$3,665,050 for the Subscription Receipts.

Proceeds from the Subscription Receipts have been placed in escrow, to be released to Discovery on the closing of the plan of arrangement pursuant to which Discovery intends to acquire all the issued and outstanding common shares of Levon (the “**Levon Transaction**”). The Levon Transaction is described in a news release dated May 30, 2019. On conversion, each Subscription Receipt will automatically convert into one Common Share, for no additional consideration. In the event that the Levon Transaction is not completed by August 31, 2019, each Subscription Receipt will be cancelled, and the subscription funds will be returned to the subscriber.

Taj Singh, President and CEO of Discovery commented, “We are excited to have closed this financing and we welcome Mr. Sprott as our largest shareholder. Discovery is now solidly financed and is well-positioned to aggressively explore and develop its district-scale silver-rich projects in a rallying precious metals price environment.”

Certain insiders of Discovery have acquired Common Shares in the Private Placement, representing less than 2% of the total issued Common Shares after closing. These acquisitions are considered “related party transactions” as defined under Multilateral Instrument 61-101.

Discovery has paid finders’ fees of \$17,500 to certain arms’ length parties who introduced Discovery to investors, in accordance with the policies of the TSX Venture Exchange. The securities are subject to a statutory hold period expiring November 25, 2019.

The Common Shares and Subscription Receipts were acquired by Mr. Sprott through 2176423 Ontario Ltd. for investment purposes. Mr. Sprott has a long-term view of the investment and may acquire additional securities of the Company including on the open market or through private acquisitions or sell securities of the Company including on the open market or through private dispositions in the future depending on market conditions, reformulation of plans and/or other relevant factors. A copy of 2176423 Ontario Ltd.'s early warning report will appear on the Discovery's profile on SEDAR and may also be obtained by calling (416) 362-7172 (200 Bay Street, Suite 2600, Royal Bank Plaza, South Tower, Toronto, Ontario M5J 2J1).

About Discovery

Discovery is focused on discovering and advancing high-grade polymetallic deposits in a land package of approximately 150,000 hectares covering a historic mining district in Coahuila State, Mexico. The portfolio of three large-scale, drill-ready projects and several earlier-stage prospects, all with shallow high-grade Ag-Zn-Pb mineralization, is situated in a world-class carbonate replacement deposit belt that stretches from southeast Arizona to central Mexico. The land holdings contain numerous historical direct-ship ore workings with several kilometers of underground development, but there was no modern exploration or drill testing on the properties prior to the work carried out by Discovery. For further information, please visit Discovery's website at www.dsvmetals.com.

Levon is exploring one of the world's largest silver resources at its 100%-owned Cordero Project in Chihuahua State, Mexico. The 37,000 hectare property covers an entire porphyry district that hosts the announced resource and numerous exploration targets for bulk tonnage diatreme-hosted, porphyry-style, and carbonate replacement deposits. For further information please visit Levon's website at www.levon.com, and the news release of Discovery dated May 30, 2019 as filed on SEDAR.

For Further Information:

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This news release may include forward-looking statements that are subject to inherent risks and uncertainties. All statements within this news release, other than statements of historical fact, are to be considered forward looking. Although Discovery 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 described in forward-looking statements. Factors that could cause actual results to differ materially from those described in forward-looking statements include fluctuations in market prices, including metal prices, continued availability of capital and financing, and general economic, market or business conditions. There can be no assurances that such statements will prove accurate and, therefore, readers are advised to rely on their own evaluation of such uncertainties. There can be no assurance that the Levon Transaction or the Private Placement will close on the announced terms. Discovery does not assume any obligation to update any forward-looking statements except as required under applicable laws.