
Discovery Intersects 448 g/t AgEq over 46 m within 260 g/t AgEq over 133 m in North Corridor Drilling at Cordero

August 5, 2021, Toronto, Ontario - Discovery Silver Corp. (TSX-V: DSV, OTCQX: DSVSF) (“Discovery” or the “Company”) is pleased to announce results from 21 diamond drill holes targeting bulk-tonnage mineralization in the North Corridor at its flagship Cordero silver project (“Cordero” or “the Project”) located in Chihuahua State, Mexico. The results from this release will be incorporated in the new resource estimate scheduled for completion later this quarter and PEA in 4Q 2021.

Highlight intercepts include:

- **132.6 m averaging 260 g/t AgEq¹** from 204.7 m (78 g/t Ag, 0.11 g/t Au, 1.7% Pb and 2.8% Zn) in hole C21-479 including:
 - **46.3 m averaging 448 g/t AgEq¹** (110 g/t Ag, 0.10 g/t Au, 2.4% Pb and 5.9% Zn) including;
 - **21.5 m averaging 748 g/t AgEq¹** (194 g/t Ag, 0.12 g/t Au, 4.2% Pb and 9.6% Zn)

- **77.1 m averaging 190 g/t AgEq¹** from 361.1 m (55 g/t Ag, 0.12 g/t Au, 1.4% Pb and 1.8% Zn) in hole C21-479 including:
 - **19.6 m averaging 422 g/t AgEq¹** (137 g/t Ag, 0.25 g/t Au, 3.7% Pb and 3.2% Zn)

- **86.2 m averaging 192 g/t AgEq¹** from 312.5 m (51 g/t Ag, 0.09 g/t Au, 1.2% Pb and 2.2% Zn) in hole C21-476 including:
 - **36.5 m averaging 372 g/t AgEq¹** (97 g/t Ag, 0.16 g/t Au, 2.3% Pb and 4.3% Zn)

- **81.4 m averaging 184 g/t AgEq¹** from 297.3 m (43 g/t Ag, 0.05 g/t Au, 0.9% Pb and 2.5% Zn) in hole C21-496 including:
 - **44.6 m averaging 251 g/t AgEq¹** (60 g/t Ag, 0.07 g/t Au, 1.3% Pb and 3.4% Zn)

Taj Singh, President and CEO, states: *“Our drill results continue to reinforce the broad widths and excellent grades that characterize large areas of the Cordero deposit. Drilling in the NE Extension was successful in extending the strike length of high-grade mineralization by approximately 100 m. The five best intercepts within this zone, including four intercepts from this release, have returned an average interval of 109 m at 212 g/t AgEq. Today’s results, along with the final assay results from our Phase 1 drill program will be incorporated in our upcoming resource estimate due to be released later this quarter.”*

DRILL RESULTS:

Drilling in the NE Extension zone was successful in expanding the high-grade zone intercepted in C20-319, which returned 168.8 m of 207 g/t AgEq¹ from 140.0 m (see May 7, 2020, press release), by approximately 100 m along strike. Holes in this release drilled to the northeast of C20-319 intercepted 132.6m of 260 g/t AgEq¹ and 77.1 m of 190 g/t AgEq¹ (C21-479), 86.2 m of 192 AgEq¹ (C21-476) and 81.4 m of 184 g/t AgEq¹ (C21-496). Follow up drilling targeting the expansion of this zone to the northeast of C21-496 will be completed during the Phase 2 drill program.

Drilling in the SW Extension zone was successful in confirming continuity of mineralization within the high-grade bulk-tonnage domain in areas where there were gaps in previous drilling. Highlight intercepts include 102.7 m of 96 g/t AgEq¹ (C21-486) and 55.7 m of 76 g/t AgEq¹ (C21-490). Drilling in the Far NE, an area of the deposit that has seen little previous drilling, was targeting the potential expansion of the high-grade bulk-tonnage domain to the northeast. Assay results reported a number of shallow lower grade intercepts in combination with encouraging intercepts including 94.3 m of 93 g/t AgEq¹ (C21-461), 42.8 m of 92 g/t AgEq¹ (C21-448) and 37.0 m of 98 g/t AgEq¹ (C21-453). These results will be reviewed in conjunction with the updated resource model prior to further drilling in this part of the deposit.

Drill hole locations are shown in Figure 1 (see links below) and detailed drill highlights from the holes in this release are provided in the table below.

Hole ID	From (m)	To (m)	Width (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq ¹ (g/t)	Location
C21-448	97.5	115.0	17.6	59	0.10	0.3	0.6	101	Far NE
<i>and</i>	376.0	418.7	42.8	27	0.04	0.2	1.3	92	
C21-450	233.7	284.8	51.1	24	0.03	0.5	0.9	79	Far NE
<i>including</i>	252.4	269.8	17.4	39	0.03	0.8	1.3	123	
C21-453	280.7	317.7	37.0	36	0.04	0.6	0.9	98	Far NE
C21-461	46.5	140.8	94.3	35	0.02	0.6	0.8	93	Far NE
<i>including</i>	84.7	107.3	22.7	51	0.03	1.1	1.9	171	
C21-476	108.3	226.5	118.2	22	0.06	0.4	0.7	68	NE Extension
<i>including</i>	161.4	198.0	36.6	33	0.07	0.5	1.0	100	
<i>and</i>	312.5	398.7	86.2	51	0.09	1.2	2.2	192	
<i>including</i>	312.5	349.0	36.5	97	0.16	2.3	4.3	372	
C21-479	204.7	337.3	132.6	78	0.11	1.7	2.8	260	NE Extension
<i>including</i>	249.0	271.8	22.8	148	0.12	3.4	2.2	370	
<i>& including</i>	291.0	337.3	46.3	110	0.10	2.4	5.9	448	
<i>including</i>	315.8	337.3	21.5	194	0.12	4.2	9.6	748	
<i>and</i>	361.1	438.1	77.1	55	0.12	1.4	1.8	190	
<i>including</i>	373.1	392.7	19.6	137	0.25	3.7	3.2	422	

Hole ID	From (m)	To (m)	Width (m)	Ag (g/t)	Au (g/t)	Pb (%)	Zn (%)	AgEq ¹ (g/t)	Location
C20-492	176.8	271.8	95.0	19	0.09	0.2	1.5	96	NE Extension
C21-494	72.4	274.9	202.5	17	0.07	0.2	0.8	65	NE Extension
C21-496	149.9	184.0	34.2	50	0.04	1.0	1.0	129	NE Extension
<i>and</i>	297.3	378.7	81.4	43	0.05	0.9	2.5	184	
<i>including</i>	321.8	366.4	44.6	60	0.07	1.3	3.4	251	
<i>and</i>	396.0	419.5	23.6	66	0.05	1.5	2.5	226	
C21-486	24.5	127.2	102.7	37	0.15	0.5	0.7	96	SW Extension
<i>including</i>	74.0	98.1	24.1	71	0.27	1.0	1.3	184	
C21-490	17.0	72.7	55.7	37	0.21	0.2	0.3	76	SW Extension

¹All results in this news release are rounded. Assays are uncut and undiluted. Widths are drilled widths, not true widths, as a full interpretation of the actual orientation of mineralization is not complete. As a guideline, intervals with disseminated mineralization were chosen based on a 25 g/t AgEq cutoff with no more than 10 m of dilution. Intervals with vein mineralization were based on a 100 g/t AgEq cutoff with no more than 1 m of dilution. AgEq calculations are used as the basis for total metal content calculations given Ag is the dominant metal constituent as a percentage of AgEq value in approximately 70% of the Company's mineralized intercepts. AgEq calculations for reported drill results are based on USD \$16.50/oz Ag, \$1,350/oz Au, \$0.85/lb Pb, \$1.00/lb Zn. The calculations assume 100% metallurgical recovery and are indicative of gross in-situ metal value at the indicated metal prices. Refer to Technical Notes below for metallurgical recoveries assumed in the 2018 PEA completed on Cordero.

DRILL PROGRAM UPDATE:

Phase 1 drilling: The Company's Phase 1 drill program concluded at the end of April. The data from the 75,000 m of new drilling (178 holes) completed in this program, along with 133,000 m of historic drilling (292 holes), will be used to support an updated resource (3Q 2021) and PEA (4Q 2021). The final assay results from Phase 1 drilling (14 holes) are expected to be released later this month. Phase 2 assay results that have been received whilst awaiting final assays from Phase 1 will also be used to support the updated resource and PEA.

Phase 2 drilling: The Company has completed 21,600 m (56 holes) as part of its Phase 2 drill program which will be ongoing through the remainder of the year. Phase 2 drilling will be focused on three key areas: (1) upgrading inferred resources for inclusion in a prefeasibility study; (2) resource expansion of bulk-tonnage mineralization; and (3) testing of the width, grade and continuity of the extensive high-grade vein systems that transect the deposit. There are currently four drill rigs operating on site.

SUPPORTING MATERIALS:

Supporting maps and sections, drill hole locations and full assay results can be found at the following link:

https://discoverysilver.com/site/assets/files/5698/20210805_sections_assays.pdf

A PDF of this release with supporting maps and sections included as appendices can be found at the following link:

https://discoverysilver.com/site/assets/files/5698/20210805_pr_w_sections_final.pdf

About Discovery

Discovery's flagship project is its 100%-owned Cordero project, one of the few silver projects globally that offers margin, size and scalability. Cordero is located close to infrastructure in a prolific mining belt in Chihuahua State, Mexico, and is supported by an industry leading balance sheet with approximately C\$85 million available for aggressive exploration, resource expansion and future development. Discovery was a recipient of the 2020 TSX Venture 50 award and the 2021 OTCQX Best 50 award.

On Behalf of the Board of Directors,

Taj Singh, M.Eng, P.Eng, CPA,
President, Chief Executive Officer and Director

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Sample analysis and QA/QC Program

The true width of the veins is estimated to be approximately 70% of the drilled width. Assays are uncut except where indicated. All core assays are from HQ drill core unless stated otherwise. Drill core is logged and sampled in a secure core storage facility located at the project site 40km north of the city of Parral. Core samples from the program are cut in half, using a diamond cutting saw, and are sent to ALS Geochemistry-Mexico for preparation in Chihuahua City, Mexico, and subsequently pulps are sent to ALS Vancouver, Canada, which is an accredited mineral analysis laboratory, for analysis. All samples are prepared using a method whereby the entire sample is crushed to 70% passing -2mm, a split of 250g is taken and pulverized to better than 85% passing 75 microns. Samples are analyzed for gold using standard Fire Assay-AAS techniques (Au-AA24) from a 50g pulp. Over limits are analyzed by fire assay and gravimetric finish. Samples are also analyzed using thirty three-element inductively coupled plasma method ("ME-ICP61"). Over limit sample values are re-assayed for: (1) values of zinc > 1%; (2) values of lead > 1%; and (3) values of silver > 100 g/t. Samples are re-assayed using the ME-OG62 (high-grade material ICP-AES) analytical package. For values of silver greater than 1,500 g/t, samples are re-assayed using the Ag-CON01 analytical method, a standard 30 g fire assay with gravimetric finish. Certified standards and

blanks are routinely inserted into all sample shipments to ensure integrity of the assay process. Selected samples are chosen for duplicate assay from the coarse reject and pulps of the original sample. No QAQC issues were noted with the results reported herein.

Qualified Person

Gernot Wober, P.Geol, VP Exploration, Discovery Silver Corp., is the Company's designated Qualified Person for this news release within the meaning of National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") and has reviewed and validated that the information contained in this news release is accurate.

TECHNICAL NOTES & FORWARD-LOOKING STATEMENTS:

The most recent technical report for the Cordero Project is the 2018 Preliminary Economic Assessment (PEA) authored by M3 Engineering and Technology Corp and includes the most recent resource estimate, completed by Independent Mining Consultants, Inc. It is available on Discovery's website and on SEDAR under Levon Resources Ltd, a wholly owned subsidiary of Discovery. The PEA assumes metallurgical recoveries of 89% for Ag, 84% for Pb, 72% for Zn and 40% for Au.

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-  Pit Outline
-  20g/t AgEq COG (2018 PEA)
-  High-grade bulk-tonnage domain
-  Mine workings
-  High-grade feeder veins/structures

Discovery Drillholes

-  Assays current release
-  Assays pending
-  Assays pending (Phase 2)
-  Assays previously released





